

'Greening'? 'Sustainable development'? 'Profitable solutions that reduce poverty and protect the environment at the same time'? 'A new, more inclusive brand of capitalism'?

Fear not: Cornell University's Stuart Hart is neither socialist nor tree hugger. An expert in enterprise strategy management, he was among the first to launch, nearly 15 years ago, the movement for corporate sustainability. This initiative has subsequently transformed and revitalized many enterprises around the globe.

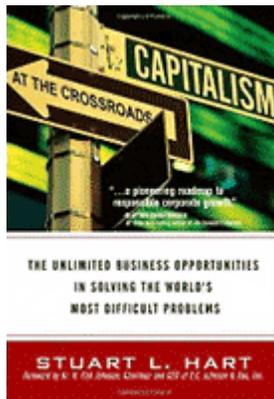
In *Capitalism at the Crossroads*, Hart sounds a warning bell for business managers who keep focusing on developed markets, who still view sustainability a cost rather than an opportunity, or who are stuck with the diminishing returns of continuous improvement. Building upon the "Bottom of the Pyramid" theory the author himself helped establish, he points out that the largest opportunities of tomorrow lie in creating products and solutions that are tailored to the specific sectors and sustainability challenges of the world's emerging markets.

While well presented, not much in these thoughts is new. Hart expands on them by presenting a compelling argument that capitalism

cannot afford to ignore sustainability. Indeed, he challenges readers to realize that the only way for capitalism to thrive going forward is by embracing sustainability.

"Unlike greening, which works through the existing supply chain to effect continuous improvement in the current business system, 'beyond greening' strategies focus on *emerging* technologies, new markets, and unconventional partners and stakeholders," writes Prof. Hart. "Such strategies are thus disruptive to current industry structure and raise the possibility of significant repositioning, enabling new players to establish leading positions as the process of creative destruction unfolds."

Parts 1 and 2 of the book, "Mapping the Terrain" and "Beyond Greening", stay at fairly abstract levels. The final part, "Becoming Indigenous", digs deeper: Hart discusses detailed strategic options and shares numerous stories to illustrate each, albeit with a strong focus on large multinational corporations (MNCs). The latter is a pattern found throughout the book and possibly its biggest flaw: the author pays little attention to the specific opportunities and challenges faced by start-ups and smaller companies. Nevertheless, *Capitalism at the Crossroads* offers valuable food for thought and provides numerous strategic pointers to corporate executives and others involved in shaping their company's global business strategies.



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A seasoned former executive of Fortune 500 company Texas Instruments, he regularly interacted with employees, customers, outsourcing partners, and third parties in numerous countries around the world, including many parts of Asia. Mr. Katz is the author of "Negotiating International Business – The Negotiator's Reference Guide to 50 Countries Around the World".

