

Bloomberg
**New Economy
Forum**

Develop a Social Contract for Businesses

Solution Workshop Briefing

Workshop Overview	3
Discussion Leaders	4
Suggested Talking Points	6
Solution Background	7
Sample Questions	9
Venue Map	10

Workshop Participant,

As part of your personalized role at the Bloomberg New Economy Forum, we are pleased you will be participating in the Solution Workshop on Tuesday, November 6, at 9:50 am, focused on the topic of **developing a social contract for businesses.**

Mike Bloomberg and our team believe the action-oriented conversations at our forum have tremendous potential to begin generating Solutions to some of the world's most challenging problems. We will use this session to discuss **establishing a set of corporate responsibilities and commitments to contribute to a new social contract between the private sector, governments, and people.**

In advance of this workshop, we would ask that you please read the information below on the Solution, the workshop's goals, and Discussion Leaders.

Participants who are energized by the discussion and want to take action will be given the opportunity to involve their organization in a post-forum working group as a "Solution Champion." Solution Champions will work together to take concrete action between year 1 and year 2 of the New Economy Forum, supported by Bloomberg. Becoming a Solution Champion is not an obligation for attending the workshop, and will be elective based on interest and availability.

We look forward to your participation in this session.



Solution Workshop Overview

Session title: Develop a Social Contract for Businesses

Date & Time: Tuesday, November 6, 2018 - 9:50-10:40 am

Location: Specific breakout room will be listed in the forum app

Workshop Format:

- 50-minute workshop with brief opening by Ian Bremmer providing an overview of the stresses challenging society coming from increasing social, economic, and political divisions
- Following the framing of the problem by Ian, each panelist will spend 5 minutes to highlight the action they and their company will take in providing a Solution to these problems, which we will frame as contributions to a “new social contract”
- This session will be off-the-record to allow for open sharing of views and ideas on how to move forward
- The workshop is being convened by Ian Bremmer and facilitated by Dina Powell to create an environment of high-level discussion and real, actionable commitments
- Time will be allowed for audience participation, moderated by Dina Powell, to solicit broader input and invite additional private sector commitments
- Key questions to address:
 - What is the future trajectory of populist and nationalist movements and what are the implications for business and society?
 - Is a new social contract needed?
 - How serious a threat does technology and automation pose over the next few decades to labor markets and social cohesion?
 - What responsibilities does the private sector have in addressing inequality and widening economic, social, and political divisions?
 - What am I prepared to do as a global leader in building a sustainable new social contract?

Goals of the Workshop:

1. Discuss participant’s views on the evolution of the social contract between companies, governments and individuals
2. Gain commitment from global CEOs to developing a New Social Contract in follow-up discussions between years 1 and 2 of the forum

Additional Reading Materials:

- Us vs. Them: The Failure of Globalism by Ian Bremmer [“Us Vs. Them”](#)
- Ian Bremmer’s “Big Think” [video](#)
- Larry Fink’s letter to CEO’s, [“A Sense of Purpose”](#)

Discussion Leaders



Richard Haythornthwaite

Chairman, Mastercard Board of Directors

Rick Haythornthwaite is Chairman of the global boards of NYSE-listed Mastercard Inc. and FTSE100 Centrica plc, as well as Advisory Partner at Moelis & Co. Haythornthwaite is a Co-Founder and Chairman of QIO Technologies, an industrial Internet of Things technology company. He is also an investor in and Chairman of ARC International, the global glass tableware manufacturer. In the not-for-profit sector, he is Chair of the UK Creative Industries Federation.



Arianna Huffington

Founder and Chief Executive Officer, Thrive Global

Arianna Huffington is the Founder of The Huffington Post, the Founder and CEO of Thrive Global, and the author of 15 books, including, most recently, Thrive and The Sleep Revolution. In May 2005, Huffington launched The Huffington Post, a news and blog site that quickly became one of the most frequently cited media brands on the Internet. In August 2016, she launched Thrive Global, a corporate and consumer well-being and productivity platform.



David McCormick

Co-Chief Executive Officer, Bridgewater Associates

Dr. David McCormick is the Co-Chief Executive Officer at Bridgewater Associates, L.P. From 2007 to 2009, Dr. McCormick served as Under Secretary for International Affairs at the US Department of the Treasury. Before joining the Treasury, he served as Deputy National Security Advisor for international economic policy and President Bush's Personal Representative to the G-8 industrialized countries.



Takumi Shibata

President and Chief Executive Officer, Nikko Asset Management

Takumi Shibata is Representative Director, President, and CEO of Nikko Asset Management where he holds overall responsibility for the group's business worldwide. Prior to joining Nikko AM, Shibata was Group Chief Operating Officer of Nomura Holdings. Before that, he was responsible for Nomura's European business from its London subsidiary, and then oversaw global investment banking, global wholesale, global administration, and global asset management operations.

Discussion Leaders



Hamdi Ulukaya

Founder, Chairman and Chief Executive Officer, Chobani

Hamdi Ulukaya is the Founder and CEO of Chobani, America's Favorite Greek Yogurt. Ulukaya began the company in 2005 with a loan from the Small Business Administration, and the company sold its first cup of yogurt in 2007. He also developed Chobani Shares, an initiative to give every full-time member of the company the opportunity to share in the growth, and the Chobani Incubator program.

Conveners



Ian Bremmer

Founder and President, Eurasia Group

Ian Bremmer is the President and Founder of Eurasia Group, the leading global political risk research and consulting firm. Bremmer is also currently the Foreign Affairs Columnist and Editor-at-Large for Time magazine. He is credited with bringing the craft of political risk to financial markets. He created Wall Street's first global political risk index (GPRI) for establishing political risk as an academic discipline.



Dina Powell

Managing Director, Goldman Sachs

Dina H. Powell serves on the Management Committee and enhances the firm's relationships with sovereign clients around the world. Powell rejoined Goldman Sachs in 2018 as a Partner in the Investment Banking Division. Prior to rejoining the firm, she served as Deputy National Security Advisor for Strategy from 2017 to 2018. As President of The Goldman Sachs Foundation, she developed two major initiatives, 10,000 Women, and 10,000 Small Businesses.

Suggested Talking Points

Countries around the world are facing widening economic, social, and political divisions

Challenges are resulting in political upheaval, characterized by more populist and nationalist movements that are challenging governance not only in the developed world, but increasingly in new economies, even those that clearly have benefited from globalization

Governments alone won't be able to effectively address these challenges, forcing new roles and responsibilities on the private sector to respond with sustainable and innovative solutions.

The solution is for global CEOs to make a personal and corporate commitment to:

1. Proactively define what new social contracts should seek to accomplish
2. Identify the role and social responsibilities of global companies
3. Make corporate and personal commitments to take concrete steps toward building a new social contract.

Develop a Social Contract for Businesses

Countries around the world are facing widening economic, social, and political divisions. These challenges are already resulting in political upheaval, characterized by more populist and nationalist movements that are challenging governance not only in the developed world, but increasingly in new economies - even those that clearly have benefited from globalization. Governments alone won't be able to effectively address these challenges, forcing new roles and responsibilities on the private sector to respond with sustainable and innovative solutions.

The Challenge

Lasting solutions to inequality, nationalism, and other ills currently troubling the liberal democratic model - the failure of globalism examined in "Us vs. Them," Ian Bremmer's latest book - demands a new social contract. (The "social contract" is the idea that governments and their citizens have an implicit agreement to cooperate for social benefits, classically expressed as the sacrifice of some individual freedom in exchange for state protection.)

New social contracts will be necessary for much of the developed and developing world to cope with and manage current and future disruptions from geopolitics, domestic politics, and technology. In the US and Europe, growing internal political and economic divisions, the breakdown of the political center, the decline in trust in established institutions, the fractured media landscape and resulting spread of "fake news" and erosion of authoritative information all suggest that the current social contract is under stress. New technologies from AI to automation will create more inequality across more dimensions (not just income and wealth but also health, education, and even access to life-enhancing technologies), resulting in more labor market and political disruptions.

This is not just a rich country problem. The current economic, political, and social environment in much of Latin America, Africa, and the Middle East is even more fragile and less able to cope with shocks. Institutions in much of the developed world are generally less robust than in the west. And fiscal and monetary constraints will make it harder for poorer and even middle-income country governments to react. Demographics in many emerging countries also may be less favorable, with large, young populations in need of jobs. With lower per capita income, more reliance on labor, and less ability to capture gains from new technologies, many developing countries are especially vulnerable to economic shocks from new technologies.

Much of Asia is heavily exposed to these global economic and geopolitical forces, casting doubt on whether the historic success of the "Asian development model" - with its reliance on labor, exports, and global supply chains - can be sustained. At the same time, many countries in Asia, with their more robust institutions, investment in human capital, and ability to produce innovative new technologies, may be more resilient in response to these shocks than other parts of the world. This combination of exposure and resilience suggests that many policy innovations to cope with the downside of the new global economy may take shape in Asia, making the New Economy Forum an ideal venue to highlight the new social contract.

Perhaps the most important question is whether new social contracts will come violently - that is, will they be imposed by force in reaction to social and economic upheaval? Or, alternatively, will they be built proactively in anticipation of coming needs to maintain social and economic stability?

Develop a Social Contract for Businesses

Solution to Discuss

The roles and responsibilities of global businesses will change as part of any new social contract. The private sector will be forced to take on new roles and responsibilities: States won't have the resources or capacity to do it alone. Most obviously, states will turn to companies to finance new social contracts, especially from companies making windfall gains through new technologies (and relying less on local labor forces, especially in developing countries, because of automation). But states will also turn to companies for delivery of the new social contract - from building the digital infrastructure around social services and income support, to the provision of healthcare, education, training, security, and other services.

Corporate leaders will be central to any proactive and anticipatory rebuilding of the social contract. The private sector also has an inherent self-interest in being part of the solution rather than having solutions imposed by governments or through even more dramatic social upheaval. The specific form of future social contracts is undefined and will vary across regions and countries, but they almost certainly will demand of companies more participation, more resources, and more regulation. The world's most forward-leaning corporate leaders will take part to proactively define their new social responsibilities.

Commitment from You

To this end, Ian Bremmer will convene a group of global CEOs to make a personal and corporate commitment to: (1) proactively defining what new social contracts should seek to accomplish; (2) identifying the appropriate role and social responsibilities of global companies; and (3) making corporate and personal commitments to take concrete steps toward building a new social contract.

Sample Questions

| What is the future trajectory of populist and nationalist movements and what are the implications for business and society?

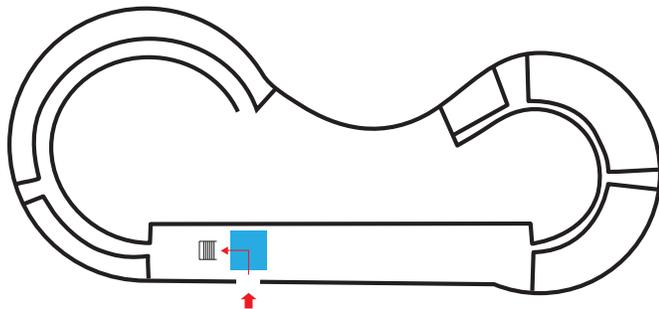
| Is a new social contract needed?

| How serious a threat does technology and automation pose over the next few decades to labor markets and social cohesion?

| What responsibilities does the private sector have in addressing inequality and widening economic, social, and political divisions?

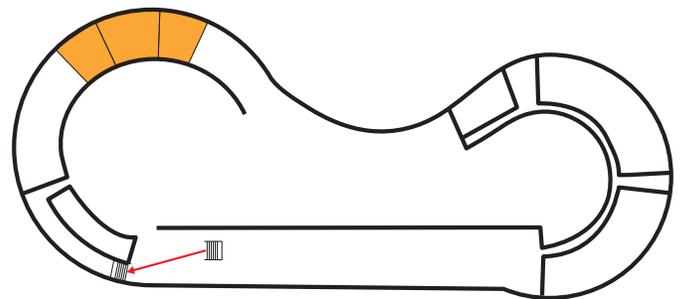
| What am I prepared to do as a global leader in building a sustainable new social contract?

Venue Map



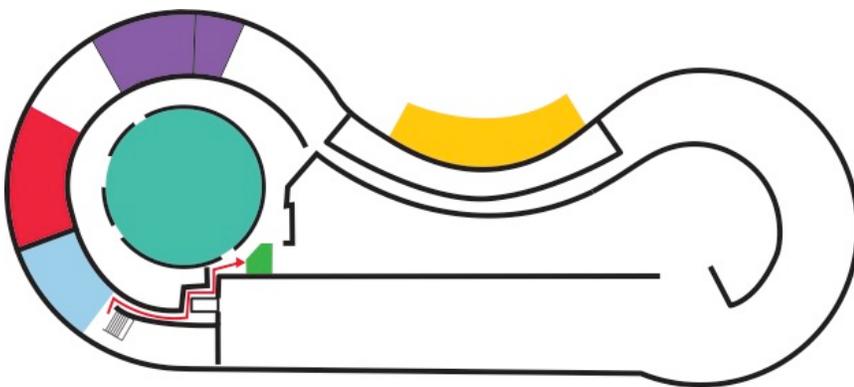
3rd floor

■ Guest Registration



2nd floor

■ Breakout Sessions 3, 4, 5



1st floor

■ Activation & Networking

■ Breakout Sessions 1, 2

■ Media Partners

■ Partner Lounge

■ Plenary Hall

■ Green Room

→ Direction to green room

▤ Stairs

For more information

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