

Capitalism is the basis of our economy and society. Still, capitalism hasn't worked for the majority of the people since the decades after World War II.

Whereas technological improvements should be allowing the distribution of wealth to a large number of people, the wealth made by capitalism is still in the reach of a few elite people. The consequential anxieties have put political systems in crisis, divided between left and right ideologies but populist politicians like Donald Trump progress. Capitalism is going to end up being a disaster if no immediate change is taken.

In these book chapters, you'll learn about an analysis of modern capitalism and find pragmatic policy amendments that could fix the holes in our politically, socially and economically broken world. By joining hands and working together to promote a new tough center, we can make a better form of capitalism— which is one whereby everybody feels worthy and is capable to live a life full of purpose and a happy life.

The destruction of social democracy has resulted in practically bankrupt capitalism.

Decades after the Second World War, capitalism formed a time of amazing economic development that was used across class boundaries.

After the Allied war labors, people had a new sense of harmony and a shared national identity that led to a devotion of assisting one another and a universal acceptance of social democracy and its communitarian ethics.

In the United States, New Deal legislation that offered aids for everybody for both the young and elderly were accepted and the rich people paid more than 80% income taxes with a slight grumble. While in Britain, the liberal National Health Service – created and implemented free for everyone at the point of use which was formed by a partnership between Labour and Conservative powers.

However, in spite of the slight disagreement between political parties, the supports protecting social-democracy started to break. As a result of the new economic stability, a rising number of people chased higher ranks of education, and eventually, a new class of very educated people got work that needed specialized skills and provided matching wages.

During the 1970s, these intellectuals felt a sense of pride in their job instead of their national identity, whereas an increasing number of people also started supporting left- and right-wing ideologies that stressed individualism.

Utilitarianism is an example of such ideology that embraced political consciousness, which claimed that it was state duty to reallocate benefits to people that are less privileged. The acceptance of Utilitarianism changed the communitarianism of the postwar period into social paternalism, where the state has more power on its citizens.

Meanwhile, as a result of huge wage differences, unskilled labors were given less dignity for their work than the professional people. For the next decades, these people kept accepting national identity while progressively experiencing anxiety due to marginalization.

Due to these political and economic changes; presently, social democracy is in crisis. In the last decade, the populist message of Donald Trump's has swayed the hearts of the marginalized people, the social democratic parties in countries like Germany, Spain, and Italy have all experienced a fall in votes, while in the United Kingdom, the Labour party has turned to questionably Marxist.

From every part of the conflict, it's obvious that the present capitalism is only helping the few elite. Instead of spreading spiteful nationalist ideas, we have to promote a sense of patriotism, or a readiness to back one's country sensed by the entire citizens. In a nutshell, to build a system that functions, we're going to have to go back to communitarianism.

Ethical capitalism can be made by pragmatic policies that support social maternalism.

According to Marxists, capitalism hinders the prosperity of the people. However, the record indicates that communism hasn't essentially brought out workforces from poverty. For instance, North Korea's Kim dynasty displays that the communist regime can be very immoral than that of capitalist societies.

There's no need to query for the author that we require decentralized, market-based competition in order for society to succeed. However, we also require a capitalist system that isn't directed by greed.

Instead of the top-down paternalism of current decades, we require what the author names social maternalism, or a state that sets pragmatic policy decisions instead of ideologies and promotes a true patriotic community. That type of state would enable citizens of all kinds of economic conditions to get social respect.

Essentially, social maternalism obtains moral duty from a few people and offers it to the masses, inspiring a communitarian society. Rather than saying to the citizens what is good for them, it allows other actors like families to foster moral values, forming a whole chain of moral support for citizens both young and productive young adulthood.

If you're thinking about how that type of system could ever occur, let's consider the adjustments that need to be done.

Some of the issue with several ideologies like Marxism or Libertarianism is that they can regularly privilege reason over values.

Moreover, the values that ideologies possess have a tendency to be incompatible. For instance, you'd be under pressure to discover any kind of shared values between the left-wing politics of Bernie Sanders and the populist ideas laid by President Donald Trump. If we need to make moral capitalism that serves everybody, we have to avoid supporting ideologies. Instead, we need to create policies based on pragmatism.

Think of Singapore's first Prime Minister Lee Kwan Yew. When Yew got into power, poverty, as well as corruption, thrived in the south-east Asian city-state. However by pragmatically making a fuss on corruption and rejecting nepotism, Yew was able to change Singapore to one of the world's best prosperous societies.

By concentrating on their exact context instead of applying unbelievable ideologies that rarely meet the demands of certain issues, present leaders will also have to chance to see solutions in which everyone can accept.

However, what type of practical policies will enable that communitarian values to go back to capitalism? You will get to know in the following chapter.

Ethical businesses can be formed through targeted public policy transformations.

During the 1970s, the Nobel laureate Milton Friedman excellently spread the notion that a company's only drive is to capitalize on profits, proposing that successful businesses abandon any duty to their employees or customers. Since that time, this perception has developed stronger, and presently, the majority of employees have neither depiction on company boards nor any direct advantage from a company's success, irrespective of their assistance.

However, this wasn't usually the situation. In the United Kingdom up to the 1980s, a lot of businesses named mutual companies were jointly owned by employees or customers instead of shareholders. Later, in 1986, regulation changes together with cultural changes made it less ethically disapproved to rip ownership away from the employees, in what was called demutualization.

While a lot of British companies demutualized, some of them took the ethical edge. Let's look at the John Lewis Partnership which is one of Britain's most successful and esteemed companies. The owner of John Lewis is a trust structured in the interests of its employees through several local, regional and national councils. In addition, the employees do not only get a part of profits as a yearly bonus; however, each one gets an equal percentage as the CEO!

The accomplishment of John Lewis proves that communitarian companies can still flourish in a capitalist society. Nowadays, with privately-owned companies like Facebook, Amazon, and Google progressively monopolizing the market and playing a vital role in society, it's obvious that public policy is needed one which supports more firms to act like John Lewis.

One method to do this is obviously through taxation. Presently, international companies like Amazon have gotten increase profits by looking for gaps in the tax system. Holding companies responsible for giving to society is a perfect step in making ethical capitalism.

However, another method in which public policy could produce ethical firms could be through authorizing companies to include public interests into their boards. This is already the case in the United States, in Public Interest Companies with boards that take into consideration public and commercial interests. Although representing only a portion of the American economy, this system might work as a good testing ground for policies that could be authorized on a wider scale.

Certainly, companies will lobby against taxation and look for gaps in public policy. This is the place where the general public's input will be vital. We can simply anticipate ethical capitalism to be accepted by firms if only it is firstly accepted by people who hold firms responsible for ethical actions.

Social maternalism would assist to soothe families by supporting them to be together and rendering relief.

The author, while growing up in Sheffield among a working-class family realized the damaging effect of broken families from a young age. While the author was admitted into a grammar school and eventually got a scholarship to go to Oxford University, his cousin that was given birth to on the exact day –had a different story: as a result of her father's untimely death, that overturned her education visions and she had her first child as a teenager.

More than only a tale, the story of the author's cousin has extensive truths for the reason why capitalism is damaged nowadays. In recent years, families that earn low of the less educated class have been progressively crumbling, affecting the lives of children's that it becomes hard to discover an important place in the workforce or society as a whole. In America, two-thirds of children who come from families in the lower 50 percentile of complete education were brought up by a single parent or no parent at all.

More concerningly, Western paternalist states have progressively supposed the duty for childcare in the form of foster care and children's homes. The reason for that is because, though legislation has made it very simple than ever to take children away from their families, it's allowed it extremely hard for parents to adopt children into new ones. Due to that, currently, 70,000 children are in foster care in Britain.

In order to assist people to feel like a significant, useful part of ethical capitalism, social maternalism might attempt to make families stay together instead of taking away children from them. This could be done by providing parents living in the same house tax-credit bonuses in form of incentive for young parents to live together, which facts have proven to cause a happier and more productive people in the society.

In addition to assisting families live together, social maternalism would also help to seek for successful methods to offer relief for the unavoidable stresses encountered by young parents. In the United Kingdom, one effective experiment similar to this was the Dundee Project.

The Dundee Project provided practical support such as mentoring and relief to young families; however, different from the majority of relief programs, the project was removed from threatening social services that evaluated parents' responsibility. This allows a trust to be established among the parents and social workers in a manner that assisted young parents to feel confident.

By concentrating on mending broken families, social maternalism could form a friendly society whereby children could grow up. Therefore, the families assisted by a system of social maternalism would be more likely eager to continue it through their own election selections.

An ethical world needs global solidarity and little, dedicated global organizations.

Now, we know what states, firms and families would be like in a society of ethical capitalism. However, what of an ethical world?

Presently, more than 65 million people around the globe have left their houses because of famine or violence. In an ethical world, rich countries with relative benefits like the United States would extend their solidarity to countries that border crisis states. This can be done not only by financially supporting these countries to supplement the costs of helping refugees in reconstructing their lives, however, also by international firms creating jobs in those places.

Although individual countries can lay an illustration of what ethical actions might seem like, a single country cannot build a really ethical world. To link the global division, we'll require international groups to create standards and hold one another responsible.

This was acknowledged in the years after World War Two – a time when world leaders identified the importance of mutual cooperation. Among the several global organizations established during the postwar years, the North Atlantic Treaty Organization (NATO) was established in 1949 to guarantee the safety of its 12 members.

Unluckily, presently these groups have developed to be very huge and spread out to be effective. In the situation of NATO, during the time of writing, just five of its present 29 members fulfill their promise on defense spending. Simultaneously, organizations like the IMF and the EU have turned to quasi-imperial bodies where few powerful countries order the economic agendas of less powerful member nations.

To restore the vision for an ethical world, it better we make new bodies that tackle critical global problems.

A perfect example is the G7; however, the fact that China and India are not involved is a huge limitation. A small group that in charge of world powers in this present day might comprise the United States, the EU, India, Russia, Japan, and China.

Although these countries have a bit of similarity, their conflicts of interest will hinder any regulations they make from aiding them unethically at the cost of the remaining of the world.

Moreover, in the upcoming years, they will progressively have common goals as climate change causes more crises like the depletion of water supplies. We should form “clubs” like these with a common ethical foundation now because it will be the only method to tackle the issues of tomorrow.

Bridging class and geographic divisions will need the reallocation of wealth and purpose.

Sheffield, Lille, and Detroit were one-time respectable cities acknowledged for their industrial production, however, during the 1980s, each started to fall as they were surpassed by markets in distant lands operated by cheap labor. The exact forces of globalization that changed towns like London or New York into cores of capital and culture have made provincial cities outdated in the present economic system.

However, is there any method that can solve the damaged provincial cities and bridge the geographical division? One choice could be to tax the profits received by skilled labors in metropolitan cities.

In the capitalist system, staying in a particular spot signifies that you accrue more wealth. This is called the gains of agglomeration. For instance, a lawyer that is earning a lot in London has more access to wealthy clients and would, consequently, accrue more wealth. Due to this, it would be both just and effective to tax this lawyer more than a lawyer in Sheffield who doesn't have the exact geographical benefits.

Although taxing very skilled labors in an urban area will equalize the geographical playing field, it isn't just wealth distribution that is the only part of the class divide. If we truly want to create a type of capitalism that allows everybody to succeed, we're going to need to know the fundamental cause of class satisfaction. That involves becoming creative in giving working-class people a sense of purpose.

One method to do that is by offering more vocational training. And different from taxing the profits of agglomeration, there is a guide on how this can be done.

There are schools on specialist vocational training in Germany. Students sharpen their craftsmanship in their selected fields while getting mentorship from professionals. Also, they do essential placements within the workforce while studying, enabling the change from student life

to professional life very easy. The outcome is a society that has an extremely productive labor force that is both honorable and highly paid.

Certainly, even if we were to make more vocational schools presently, social maternalism won't occur immediately. However, it would be one significant step in implementing a pragmatic policy that encourages capitalism whereby everyone is catered for.

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In a society where capitalism benefits the few at the cost of the majority all the time, we have to stop the limitations of ideologies and make policy deep-rooted in pragmatism. Social maternalism assures to form ethical capitalism in which everybody can gain from by the means of a simple, however, ethically restricted state activity. That type of activity would comprise the taxation of globalized firms and the recipients of agglomeration in metropolitan cities, together with processes that support a sense of purpose in the national workforce, and increased efforts to arrive at ethical international agreements.

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