

Draft: Commencement Address to the Graduating Class of
_____ University Business School

Evolving a New Era of Social Capitalismⁱ

Remarks delivered by _____, CEO, _____, Inc.

Good afternoon, everyone.

It's an honor to be here, speaking with the bright young minds who will shape the economic future of this country. I've come today to speak with you about the crossroads in which we all stand.

We gather at a time of extraordinary prosperity. In the first quarter of 2024, U.S. corporate profits reached a staggering \$3.37 trillion—the highest in our history.

But it's also a time of extraordinary inequity.

Between 1979 and 2021, wages for the top 1% and top 0.1% skyrocketed by 206% and 465%, respectively, while wages for the bottom 90% grew just 28.7%. The CEO-to-worker pay ratio in Fortune 500 companies today? 399-to-1.

Moreover, the top 1% holds nearly roughly one-third of all wealth, while the bottom 50% possesses only 2.6%.

I'm sure we all recognize this dynamic.

We celebrate innovation, but we also see communities hollowed out.

We champion free markets, but we allow them to concentrate power at the top, while everyday Americans struggle to stay afloat.

We don't feel good about this, but we aren't sure what to do about it.

If you've been paying attention, you know corporate leaders—people like me, and people like many of you aspire to be—are exactly beloved. Nearly 70% of Americans believe executives prioritize profits over people.

If you'd like to put a face on all of these statistics, how about Luigi Mangione, the truck driver who became a cult hero by gunning down the CEO of United Healthcare. A few nights later, the audience of Saturday Night Live cheered when Colin Jost mentioned his name. Show of hands—how many of you saw that?

[pause]

That moment ought to chill us.

It should wake us up to a reality we can't afford to ignore: The working class feels exhausted, underpaid, and dismissed. If we don't **evolve**, we risk losing not just public goodwill but the very stability that allows capitalism to function.

How did we get here?

- We've chased shareholder value at the expense of workers, communities, and long-term business health.
- Private equity firms buy up hospitals, housing, even water rights, squeezing them for short-term profit and leaving behind unaffordable bills and failing infrastructure.
- Supply chains stretch across the globe, chasing the cheapest possible labor, while once-thriving industrial towns crumble.
- And let's not ignore the environmental costs—wildfires, floods, record-breaking heat waves, all exacerbated by industries that externalize their costs onto the public while pocketing the gains.

This. Is. Not. Sustainable.

Not for business. Not for our country. And certainly not for working people.

If we want capitalism to survive, we have to *evolve* it.

What if we built an economy that worked for everyone?

What if businesses succeeded not by undervaluing workers, but by investing in them?

We know this model works.

Germany has worker representation on corporate boards, fostering both stability and profitability.

Nordic nations combine high wages and labor protections with strong economies and low inequality.

Even the U.S. has seen this before—during the postwar boom, when unions were strong and the top marginal tax rate was over 90%, we saw decades of broad-based economic growth.

These examples prove capitalism thrives when it works for society, not just a privileged few.

This isn't a radical idea.

In 1835 French historian Alexis de Tocqueville marveled at what he called “self-interest rightly understood”—the very American idea that people, and by extension businesses, best serve themselves when they consider the well-being of others.

A company that pays fair wages, invests in workers, and contributes to its community isn't just doing good—it's ensuring its own long-term success.

- A healthy, educated workforce drives innovation and productivity.
- A stable middle class fuels consumer demand.
- A business that earns trust and goodwill creates loyalty no marketing budget can buy.

Tocqueville understood that capitalism must balance self-interest with social responsibility. When we lose that balance, the system stops working.

Business students love case studies, right? How about one more before we hand out diplomas, huh?

Consider RJ Reynolds. I know, I know—tobacco's an odd place to find a lesson in ethical business. But let's look at the man—Richard Joshua Reynolds—and how he built and operated his company.

- Reynolds paid living wages.
- He introduced pensions, disability benefits, and profit-sharing before they were common. Ordinary line workers retired as *millionaires*.
- But his commitment went further. At a time of deep racial inequity, he did something extraordinary: He provided black workers with the opportunity to rise into management and—get this—he built a school for their children.

Reynolds understood that prosperous businesses need prosperous people. That lifting others up wasn't just right—it was smart.

Of course ... tobacco.

He died 20 years before the first major study linking smoking to health risks. I've always wondered—if he had known, would he have changed?

We'll never know.

But we know more than he did. And we can choose differently.

So how do we get there?

One answer is already here: *Benefit Corporations*.

Benefit corporations—and their certification counterpart, B Corps—are legally bound to consider not just shareholders, but workers, customers, and the environment.

There are already 2,500 B Corps in the U.S., including Patagonia, Warby Parker, Etsy, Danone North America, and Ben & Jerry's.

[aside] I'm not gonna lie—I *love* Ben & Jerry's.

These businesses prove you can turn a profit while doing right by people and the planet.

Imagine a future ...

- Where companies aren't judged just by quarterly earnings, but by how well they treat workers and communities.
- Where businesses see their success as inseparable from society's success.
- Where capitalism isn't about extracting wealth—but creating value for all.

You're the next generation of business leaders, and that's my message to you today as you graduate and head out into the business world: *this is a world you can build*.

At its best, capitalism is a force for innovation, prosperity, and progress. But left unchecked, it undermines communities, erodes trust, and destabilizes economies.

The business leaders who backed the New Deal and the GI Bill understood something fundamental: Capitalism works best when it works for everyone. B Corps today proving that profit and purpose can coexist, they're standing on the shoulders of giants.

Of course, not all business leaders agree with me, and that's the world you'll be waking up in tomorrow.

But the future isn't written yet.

Let's evolve one where business thrives—not at the expense of society, but alongside it.

Thank you.

¹ This proof of concept was developed using generative AI. I wrote roughly half of the original text and ChatGPT wrote the other half. I then revised and edited it all into the final document. Additionally, this speech was never delivered. It was produced as a concept for the executive communication team of a large financial services provider.