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PERSPECTIVES

Fair Wealth

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Abstract Fair wealth is wealth created by commercial activities that are perceived to be fair to all entities involved on the supply and demand sides: humans, animals, and the environment in general. This article describes the coming of age of fair wealth, the enlightened customer needs that are driving it, the role of spoilers, and five frontiers of fair wealth creation.

Keywords Fair wealth · Corporate strategy · Customer needs · Social development · Fair development · Sustainable development

1 Introduction

Fairness has been a fundamental concept over the course of human history, and a cornerstone of social development. Generally, fairness has been overlooked in the realm of commerce (with the exception of highly regulated industries such as utilities). If one can make money, few ramifications are considered other than legality. In this article, I argue that fairness is now becoming a foundation of commerce as well, in a way that will change how firms do business and even play a role in determining what types of firms will exist and prosper in the near future.

This article describes the emergence of *fair wealth*, which I define as wealth created by commercial activities that are perceived to be fair to all entities involved on both the supply and demand sides of transactions: humans, animals, and the environment in general. Two factors have ushered in the dawn of fair wealth: [2]: the enlightened needs of customers and society in general, which are converging on fairness, and [1] solution providers (whom I call *spoilers*) who are challenging the accepted rules of commercial activities by incorporating fairness into every aspect of their operations.

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Enlightened need (EN) is a concept first proposed as the second layer in *The Bubble Theory* (Ding 2013) [2], which I enrich in this article. ENs are needs that transcend standard human urges (such as those related to survival and procreation); they tend to be *less materialistic* (*sensory-based*), *longer term*, *probabilistic*, *and/or related to entities other than the self* (*other humans/human organizations*, *animals*, *and the environment in general*).

Spoilers are individuals (and the organizations they run or own, or in which they invest) driven by their own ENs who do not strictly follow the profit maximization objective of commerce. For example, someone who starts a firm to satisfy his or her ENs and only strives to earn enough income to pay for the cost of running the business would be a spoiler. Spoilers may also refuse to be associated with companies with little social purpose. They are changing how business is done for others as well, by either inducing and/or forcing other firms to do the same in order to be competitive in the market.

In the next section, I elaborate on the brief description of ENs provided in *The Bubble Theory* (Ding 2013) [2] before briefly describing spoilers in the section that follows. I then discuss five frontiers of commerce where fair wealth is being generated, led by spoilers in most cases. I conclude the article by laying out some critical questions for academics and practitioners.

2 Enlightened Needs in Commerce

I broadly classify ENs into two categories: aspiration and conscience. While ENs typically moves from the aspiration category to the conscience category, there is no hierarchical relationship between the two in terms of importance or value, since conceivably, a conscience EN may become an aspiration EN if many people choose to abandon it. I first provide a general description of each category before focusing on the current era of ENs characterized by a convergence on fairness.

2.1 Aspiration ENs

Aspiration ENs are ENs of a small subset of society, even just one individual. Certain aspiration ENs may not even be legal in (some) societies, and most certainly, they are not endorsed by the majority in a society. But in general, most aspiration ENs are tolerated with an "agree to disagree" societal attitude. One example pertains to animal rights, in which some oppose the practice of killing animals for the purpose of human consumption. While a person is free to hold this view and practice it (e.g., by becoming a vegetarian), most members of society neither share nor endorse such an EN.

Aspiration ENs are autonomous, in that they are driven by a person's desire to take action on his or her beliefs. While aware of their responsibility to others and society in general, those with aspiration ENs do not want to spend their lives fulfilling societal expectations. This is aptly illustrated by Steve Jobs' widely circulated 2005 Stanford Commencement speech [3]:

> Your time is limited, so don't waste it living someone else's life. Don't be trapped by dogma, which is living with the results of other people's thinking. Don't let the noise of other's opinions drown out your own inner voice. And most important, have the courage to follow your heart and intuition. They somehow already know what you truly want to become. Everything else is secondary.

Because their origins are autonomous, aspiration ENs take many forms and are adopted heterogeneously. Forms differ because aspiration ENs may be associated with different objectives (for the self, other humans and human organizations, animals, the general environment) and may be satisfied in different ways (tangibly or virtually). A person is constantly exposed to potential aspiration ENs through introspection or learning, and one's personal set of aspiration ENs thus evolves over time as well. Aspiration ENs are a mechanism by which firms can gain competitive advantage and create new business value if a sufficient number of potential customers share a specific aspiration EN.

2.2 Conscience ENs

Conscience ENs are those shared by a large number of people in society. Since they tend to be social norms, their validities are generally not challenged. A conscience EN is not right or wrong in the absolute sense; it is simply an EN that has been adopted with little controversy by society in general. They are aspiration ENs that have become accepted by the majority of the society and thus, are social norms. It is conceivable, however, that conscience ENs may be abandoned if the majority in a society reject them for some reason. Over time, what was once considered a conscience EN may become unacceptable and thus lose its status as part of our collective conscience. In general, the scope of conscience ENs is increasing as humans continue to develop. One example of a conscience EN is that endangered species should be protected.

Typically, laws, regulations, and/or conventions exist in a society to penalize individuals who have violated conscience ENs. Thus, in some ways, adopting conscience ENs (or at least not challenging them) is not optional for most people, regardless of whether or not they agree. Within a society, conscience ENs are usually consistent with each other.

Some of these ENs are (or will become) part of human development principles officially adopted by a society and governments in the form of policies (e.g., sustainable development, fair development). As such, this category of ENs is most relevant to policy creation in the public sector and defensive strategy formulation in the private sector. Decision makers must be vigilant about identifying which ENs are in the process of moving from aspiration to conscience; separation of the two is not absolute, with continuous movement that can be quite fast.

2.3 The Coming of Age of ENs—Convergence on Fairness

Although ENs have existed for millennia, they have not been systemically studied as a conceptual framework because they have come of age fairly recently, over the last 50 years. Key milestones include the publication of *Silent Spring* in 1962 and a report by the UN Commission on Sustainable Development in 1987 [4]. As discussed in *The Bubble Theory* (Ding 2013), three factors have led to ENs becoming a mainstream topic: threats, enlightenment, and common knowledge. We now understand the threats that we face as a species, our role in causing them (e.g., environment, population), and what we can do to mitigate and reverse them. Enlightenment has increased, meaning we have accumulated knowledge in many domains such as biology, material science, nanotechnology, medicine, and astronomy. This vast accumulation of external knowledge has led many individuals to reevaluate and reflect on their own pursuits in life. Last but not least, the increasingly interconnected nature of society has led to the rapid creation of common knowledge. Common knowledge is information that we all know, and we all know that everybody else knows it as well. In the context of ENs, individuals assume that organizations (such as firms) know exactly what they are doing (including details and impact) and expect that such information should be made transparent (i.e., common knowledge).

This change has led to an increasing number of people to adopt ENs (aspiration or conscience) and to prioritize these adopted ENs as they live their lives (including in purchasing and consumption decisions). It is against this backdrop that the convergent principle of fair development (i.e., human development must be fair to all parties involved, present and future; see Ding 2013) emerged, as people began to recognize that a society based on fairness has a better chance of survival and prosperity. Fair wealth is demanded and expected as part of the fair development movement.

3 The Emergence of Spoilers

The importance of spoilers, especially during this stage of rapid transition, must be underscored. Thus, I dedicate a short section to them here in this article. Spoilers are indispensable catalysts for the pursuit of fair wealth, because they provide the critical nudges (or pushes) traditional firms need in order to revise their business models and missions.

Spoilers are individuals (and the organizations they run, own, or in which they invest) who do not follow the standard rules of commerce. Instead of following established conventions, they ask: Why not create wealth in a fair way? Spoilers start or invest in companies that will do what they want, or take over the leadership and change the missions of existing firms if they can. In a way, spoilers are the activist entrepreneurs/executives for fair wealth.

Spoilers are driven by their ENs for fairness, and they will change how business is done for others as well by inducing/forcing other firms and people do the same. Business is all about advantages in a competitive market, and in most industries, the differences across brands are marginal at best. These spoilers, who do not follow norms and instead make unambiguous declarations that they will only create fair wealth, force their peers to adopt the same strategy in order to avoid being in a disadvantaged competitive position, regardless of their own opinions.

4 Frontiers of Fair Wealth Creation

Firms should not see the demand for fair wealth creation as an additional cost of doing business, a moral obligation to "do the right thing," or as something that will lead to decreased profit (wealth) for its stakeholders. Firms should instead see this demand as a business opportunity and driver of innovation. I describe five frontier strategies in fair wealth generation: *total surplus*, *artificial shareholder*, *empathizing operation*, *deanimalized solution*, and *dream drug*. This is not an exhaustive list and they are called frontier strategies for a reason: all are strategies that have been adopted by a few so far, but will be widespread in the near future.

4.1 Total Surplus

A commercial transaction typically generates both consumer surplus and producer surplus. Consumer surplus is the monetary gain obtained by consumers because they are able to purchase a solution (product, service) for a price that is less than the highest price that they would be willing to pay (i.e., the value of the solution). Producer surplus is the amount that producers benefit by selling the solution at a market price that is higher than the cost of producing it. Total surplus refers to the sum of the consumer surplus and producer surplus, and it is the total value the commercial activity has created for society.

In standard economic theory as well as practice, governments are concerned with total surplus, but firms are only concerned with maximizing producer surplus. Whether a particular solution generates more or less consumer surplus is irrelevant information in the firms' decision-making processes.

As a result, many customer needs with high (or even huge) consumer surplus potential are left unaddressed by firms. I list here a few examples. In an age when obesity is an epidemic health problem in developed countries, hunger is the number one cause of death in the world. While a disease like diarrhea is considered an inconvenience in developed countries, such preventable diseases kill more than 2 million children each year elsewhere. Moreover many people live without proper shelter, sanitation, electricity, or basic education.

Generally, such high consumer surplus needs remain unaddressed for three reasons: [2] people cannot afford solutions (or have more urgent needs); [1] people are misinformed about the value of a solution (e.g., they fail to understand the danger of improper sanitation practices); and [3] the financial risks associated with developing and delivering solutions are too high for firms.

But things are changing now. While the voices of the disadvantaged remain largely unheard, those whose voices can be heard are now speaking out and demanding changes from firms. Although caring for the less fortunate has always been a laudable act of those who are fortunate, what has changed is that such behavior has become a necessary quality of any decent human being.

If a firm is able to address a need with substantial consumer surplus (with positive, though not large, producer surplus) and has chosen not to take action, it may face tremendous backlash from existing customers (who may switch to competitors, reduce their willingness to pay, and attribute less value to the brand), partners (both upstream and downstream), the nonprofit sector, and even governments. As I discussed earlier, spoilers can be tremendously influential in changing expectations; if other firms can do it, or if a startup can do it, how could a dominant player in the sector justify not doing it? Expectations about what a firm should do have evolved, and those who are smart are paying attention. One case in point is Unilever. Its current CEO, Paul Polman, publicly stated that if he had to choose between making 50 cents that can address some social problem and making a dollar, he would choose the former in a heartbeat. He is most proud of a commercial for LifeBuoy describing how it helps save young children's lives in India. This is a perfect example of a company that is adopting the total surplus strategy.

This role shift from charity funder and socially responsible player to problem solver in a domain of expertise is fundamental. While society will not expect a for-profit firm to lose money in order to address a need, customers, partners, NGOs, and even governments, will no longer allow a firm to sit on the sidelines because the producer surplus is not large enough; in other words, a firm must consider the size of consumer surplus it could potentially generate if a particular solution is offered, in addition to the producer surplus—thus, the total surplus strategy.

This is not necessarily a suboptimal strategy for a firm, even one purely interested in profit maximization. Being perceived as a problem solver in a domain where consumer surplus is high but producer surplus is low provides at least two competitive advantages. First, such firms protect themselves against shifting markets and ensure stable long-term returns. Second, these firms may even create more returns in the short term, as their corporate brands gain more value, which reflects positively on other products that do bring in substantial profits. Without a doubt, this strategy creates substantial goodwill and may lead to favorable treatment from partners and governments. Firms that implement total surplus strategies and do what they can in the domains of their expertise create fair wealth.

4.2 Artificial Shareholder

While firms that adopt a total surplus strategy consider consumer surplus in their decision-making processes, those that adopt an artificial shareholder strategy consider how to divide their producer surpluses. It is no longer enough for a firm to simply donate to charities, or create nonprofit foundations, or argue that shareholders will use the money they received to help others.

Instead, many customers would prefer firms to directly share their producer wealth with the less fortunate (or a worthy cause) in a very tightly linked manner. In essence, they want part of the producer surplus to be given out in [2] an unambiguously quantitative form, and [1] permanently. In other words, they want firms to include surplus recipients as if they were shareholders of the company; thus, I call this the *artificial shareholder* strategy.

This strategy can take three different forms. One is to explicitly commit to giving a specific percentage of profit to artificial shareholders; in extreme cases, firms could legally make them real shareholders. Another form that has gained a lot of attention is links at the solution level, not money earned. This is often called a *one for one* model, as represented by TOMS shoes, founded in 2006, which commits to giving a free pair of shoes to someone who cannot afford them for each pair sold. Another example is Warby Parker Eyewear, started in 2010 by four MBA students from the Wharton School of Business at the University of Pennsylvania, which has adopted a similar "buy one pair and we will give one pair to someone in need" model. These are not marginal firms catering to small segments of activists; they have become mainstream firms that are challenging the leaders in their respective markets. A key reason why they can afford to do this is that word-of-mouth referrals are high, and thus very little money needs to be spent on advertisement and promotion. The one for one model does not have to be in kind; a firm can say, "If you buy one unit of product X, I will give one unit of product Y to those in need" (Y does not need to be manufactured by the same company). The third model is individualized, as represented by Amazon. In 2013, Amazon launched the AmazonSmile website, pledging to donate 0.5 % of the purchase price to a customer's choice of nearly 1 million charities on its initial list.

The artificial shareholder is a broader concept that partially overlaps with some existing practices. Over the last few years, several US states have created a new corporate classification: the benefit corporation (also called B corp). A benefit corporation's official mission can be the pursuit of public benefits. This is similar in nature to what is called social enterprise (although some people and firms use the term social enterprise loosely). Another overlapping concept is cause marketing, where a firm dedicates a percentage of the proceeds from particular products/services to a cause. Cause marketing, however, is almost always temporary (e.g., for a season, a year) and restricted to a small set of product/service offerings.

A firm that adopts the artificial shareholder strategy may obtain benefits similar to those of the total surplus strategy in the eyes of others who care about fair wealth, but it has one unique advantage. Since any recipients can be designated as artificial shareholders (after all, almost no one would turn down legal money with no strings attached), a firm in a sector that cannot justify its social purpose can do so by picking a worthy cause as a shareholder. An analogous example that comes to mind is a state-run lottery that benefits older citizens of that state.

Precisely because a firm is free to choose any artificial shareholder it wants, the novelty may soon wear off. A firm thus needs to pick the right artificial shareholder—something that the firm or its employees believe in, with a cause that is simple and easy to communicate to others that at least a major segment of its customers feels strongly about. Firms that implement artificial shareholder strategies in a truthful way are considered to be creating fair wealth.

4.3 Empathizing Operation

Firms (i.e., shareholders and their representatives, company executives) that implement an empathizing operation strategy put themselves in the shoes of every party involved in the operation, including employees, partners, customers, local communities, animals, and the environment, as well as shareholders.

The most critical implication of the empathizing operation strategy is that the firm must carefully evaluate and justify the distribution of costs associated with producing the solution, as well as direct and indirect impacts of such production. Some of the terms people use nowadays, such as living wage, recycle/reuse/reduce, cradle-to-cradle, life cycle assessment (LCA), and design for environment (DfE), are all driven by the desire to create empathizing operations, even though they each represent only part of the strategy.

Consumers' willingness to pay will depend on how well a firm implements an empathizing operation strategy. If two firms both use US$20 to produce a product, but firm A pays US$3 to workers while firm B pays US$1 to workers, consumers may choose to buy products from firm A, everything else being equal.

Information related to production that was impossible (or too costly) to obtain and/or distribute in the past has now become available. For example, DNA technology is now used to trace the source of every package of meat sold in a grocery store. In other cases, information (e.g., cost data related to how much a firm pays workers to produce a pair of sneakers) were available, but firms justified not releasing them by claiming they were confidential trade information. This is no longer the case, and the existence of spoilers who willingly release such data certainly has pushed this trend. Veja, a startup shoe company in Europe, for example, voluntarily discloses how much it pays for raw materials and labor used to produce its products. Nonprofits also are working to make such information accessible to the general public (e.g., several nonprofits have reported that a pair of sneakers that sells for US$70 in the USA typically costs US$1–3 to make). Generally, modern consumers also are accustomed to having complete information on everything, and are a lot less willing to accept such reasoning.

Thus, every firm should answer this simple question as a stress test: If all details of your operation (and resulting implications) become public knowledge, is there anything that people (including consumers) will consider to be unfair? Unlike some of the other fair wealth strategies, an empathizing operation strategy is not optional, and the consequences may be devastating if one is not carefully considered and executed. On the positive side, such a stress test and resulting corrective measures will enable firms to withstand the test of time.

While the empathizing operation strategy may sound like a defensive strategy on the surface, it may lead to substantial realignment of business models and thus opportunities. I make two predictions as a result. First, outsourcing will be substantially reduced among firms in developed countries such as the USA. Firms that implement empathizing operation strategies pay much higher wages than the meager salaries paid to sweatshop workers in developing countries, and their customers also place more value on products made in their own countries. American Giant, a recent startup, is a great example. The hoodies it makes in the USA cost close to US$100 but it has more orders than it can fill. Second, moderate brands will become more popular and the number of luxury brands will be greatly reduced, especially in categories where the costs are not directly related to innovation or production. Luxury handbags are a perfect example, since most of the cost relates to promoting and building the image of exclusivity. How many consumers will still buy US$2000 handbags if it becomes common knowledge that a large proportion of the US$2000 is used to pay for celebrity advertising? Wealth creation will not be considered fair unless firms demonstrate that they are running an effective empathizing operation.

4.4 Deanimalized Solution

Deanimalized solutions are solutions that eliminate or reduce the use of animal parts. Animals have been used in four major areas: scientific experiments, entertainment, food (or medicine), and fashion. I discuss the latter two in this article.

Deanimalization is driven by three types of ENs ranging from pure self-interest to utter altruism. The first EN is to improve one's own health. Evidence has been accumulating in the medical literature that eating animal products contributes to a wide variety of diseases (e.g., cardiovascular disease) compared to eating a plant-based diet. The second EN relates to concern for others, to be fair to those who are less fortunate and do not have enough resources. Compared to plant-based food products, it takes a lot more resources to produce the same amount of nutrients in the animal products we eat. Animals raised to become meat on our plates also contribute to global warming because of the gas they release. It is beyond dispute that our planet can feed everybody right now if most of us adopt a plant-based diet instead of an animal-based diet. The last EN is based on morality. The animals we kill for consumption (i.e., chickens, pigs, and cows) are sentient beings that can sense death and do not want to die, and often exhibit signs of fear when they know they will be killed. People who follow the morality EN believe we have no right to decide the fates of other sentient beings. Similarly, many people resist the idea of killing animals due to their belief in nonviolence from a philosophical and/or religious perspective. Animal welfare activists (who want animals to be treated and used humanely) and animal rights activists (who want to end all animal use) have this third type of EN.

Unlike some of the passionate animal rights activities, the deanimalized solutions strategies described here have many shades of gray. I group them along three dimensions. The first dimension is the degree of separation from humans. Not all animals are equal in this regard. The degree of separation can be measured in terms of intellectual, genetic, and emotional distance. The second dimension is utilitarian: What are the pros (e.g., preserving biodiversity and reducing global warming) and cons (e.g., foregoing a pleasurable human experience or certain nutrients) of giving up or reducing a particular type of animal consumption? The last dimension is the degree of deanimalization, which ranges from ensuring ethical treatment (however, that is defined by a society), to reduction, to no consumption.

This is an issue about which there are many divergent opinions that tend to be very strong. While a firm that adopts the deanimalizing position will not incur the wrath of those who think consumption of animal products is their right, the reverse is not true. Further, more and more people (especially younger people) are moving toward favoring deanimalized solutions. Thus, it would be wise for firms to at least take a defensive position. While it might sound far-fetched, some people may come to see wealth generated based on the killing of animals to be as offensive as that obtained through the use of child labor or blood minerals. A company should be prepared for this contingency. Sometimes, long held habits can be changed literally overnight in this age of complete and transparent information. For example, shark fin soup had been a treasured dish in China for hundreds of years. Since the brutality and waste associated with obtaining the shark fins has become common knowledge, ordering shark fin soup has become a faux pas. As a matter of fact, it has disappeared from the menus of almost all respectable restaurants, and is even banned in some high-end hotels in Hong Kong.

Precisely because of the strong opinions held by the growing number of people who support deanimalization, there are a great number of business opportunities with the potential to yield substantial fair wealth. Some companies, for example, are creating meat substitutes that look, taste and contain the same nutrients as meat products, but are made from plants. Such innovations can easily lead to multibillion dollar operations and spawn an entire industry. To some people in our society, wealth creation that involves killing animals is nowhere close to fair. A company must at least consider and prepare for contingencies, if not, turn these concerns into opportunities to create fair wealth.

4.5 Dream Drug

In healthcare, a dream drug is something with high efficacy and very few or no side effects. If we extrapolate this to consumption, broadly defined, dream drug solutions are solutions that solve people's needs with a minimum number of undesirable side effects.

There are two reasons why we have lived with such imperfect solutions in the past. First, we did not know then what we know now. Specifically, we did not know about undesirable side effects (e.g., because they were long term and/or probabilistic), or we were unable to solve existing problems (e.g., unclean drinking water), or we did not know our precise needs (e.g., daily calorie and nutrient requirements). Second, we have become less tolerant, and people have started to reject what was acceptable in the past. People now aspire to live higher quality lives. We are also less tolerant now because we know companies (and governments, if the companies do not want to) can take action to solve problems.

Some examples of industries with undesirable negative side effects are quite obvious and widely accepted, like the cigarette industry. Others are more innocent sounding, such as the food and beverage, cosmetic, and detergent industries. On the flip side, there are also desires to eliminate waste associated with positive side effects. For example, the energy expended by exercise (or simply walking) is mostly wasted. In addition to physical side effects, there may also be undesirable mental side effects associated with consumption, such as reduced dignity or (self-)respect.

The demand for dream drug solutions is having a fundamental impact on commerce, as it has led to shifts in consumer preferences and decision-making processes. First, consumers are abandoning certain products/services with side effects that are deemed too undesirable using a binary decision heuristic. This abandonment happens at the individual product/service level (e.g., I will never buy brand X in the future), and at the product category level (e.g., I will never eat a hot dog again). Second, consumers are increasingly willing to pay more for solutions with fewer undesirable side effects, reflecting a continuous change in preferences. The combination of the two poses a tremendous threat to firms offering products with side effects below the threshold of acceptability, yet rewards firms that focus their innovation efforts on reducing side effects, instead of (or in addition to) improving the original solution to the customer need.

A firm can address this demand from several angles. The obvious approach is to remove or reduce a component or ingredient that has contributed to a side effect (e.g., by replacing sugar with another ingredient to reduce calories). Others are less conventional, so to speak. One is to disaggregate different dimensions of satisfaction associated with a typical solution (e.g., the smell, taste, and alcohol content of wine; the taste, smell, visual presentation, and nutrient content of food) and replace those associated with the undesirable side effects (e.g., by creating a cake that looks, smells, and tastes exactly like a regular cake, but somehow will not cause weight gain). This reflects the changing reality of human life, since eating cake in developed countries is typically no longer about consuming nutrients for the body.

Second, solutions that provide sensory satisfaction that do not have a utilitarian purpose (e.g., nutrients), such as solutions that focus on smell and visual appeal are becoming increasingly popular. At the extreme, virtual consumption may satisfy consumers' cravings for certain real-life experiences associated with negative consequences. For instance, "eating shows" have become quite a popular phenomenon in South Korea. Individuals essentially eat in front of a webcam and others pay to watch in order to satisfy their own cravings.

A third direction, which would be extremely rewarding if a firm could pull it off, would be to develop new consumption habits that are free from side effects (or at least a lot fewer compared to existing habits). Almost all human consumption habits are rooted in societal norms. For example, why do Americans eat popcorn while watching movies, eat chips while watching football games, and give out and eat candy on Halloween? There is no reason why these habits cannot be changed. A firm that is able to facilitate the development of new, healthier habits that become societal norms will create substantial wealth for itself while pleasing its customers.

Wealth created by firms or industries will not be considered fair if they do not make the mitigation of undesirable side effects their top priority. Industries or firms that do not take action will be considered irresponsible and will have a hard time surviving. One industry that is already under a lot of pressure due to undesirable side effects is the food and beverage industry. The industry is producing substantially more calories for the US market each year than what the total American population needs, and serves food in portions that substantially exceed individual needs in order to create more profit.

5 Implications for Academics and Practitioners

The dawn of fair wealth provides a challenging and yet extremely rewarding opportunity for academics to develop knowledge and inform policy makers and practitioners, who will need to adjust and optimize their strategies to align with the changing landscape. I discuss some critical and urgent questions that need to be addressed, but they are not meant to be exhaustive.

On the theoretic side, there are two broad areas that can benefit substantially from additional intellectual investigation—one is descriptive and static (on what currently exists) and the other is more prescriptive and dynamic (on changes that have happened, will happen, and could happen). Within the descriptive area, we need to identify which fairness concepts people use when evaluating commercial activities. While (almost) everybody agrees that a society should be based on fairness, some fairness ideas are so different that they may be in conflict with each other. There is an extensive literature on fairness in a variety of disciplines such as economics, law, sociology, anthropology, and psychology. But what concepts do different people think are appropriate for commercial activities that generate wealth? What do they mean when they say fair wealth creation? This must be something more micro, tangible, and complex. To the extreme, is there even an optimal universal fairness concept—however, it is defined—for fair wealth, or several different concepts that are appropriate for different contexts (i.e., cultural, sector, etc.)?

Which leads us to the second area, the idea embedded in fairness that one cannot impose a (universal) fairness concept onto others who may use different fairness criteria, since doing so would be unfair by definition. Can a consensus definition of fairness be adopted in the fair wealth context, at least at the segment level? This also relates to a more general academic question: How has the fairness concept evolved over time, and how does a new (or revised) concept diffuse in a society (and become a social norm)?

On the applied side, it will be valuable to understand the implications of such demand on firms in different sectors: Which fairness concept should a firm adopt and incorporate into its brand and corporate mission? What will be the impact of such a decision on brand value, customer stickiness, employees, suppliers, distributors, bottom-line, and stock price? How would a firm select such a concept, implement it, and communicate it to others? Also very critical is the competitive aspect of implementing fairness as part of a firm's business model: Should a firm be the first mover in its sector/industry/space, or become an early follower, acting only after observing the experiences of the pioneers? Should a firm take a more defensive (and conservative) position, or be more proactive? Is it about protecting the existing business or creating new business in the age of fair wealth? Implementing fair wealth into corporate strategy may involve trading short term profit for long-term returns. How should such strategies be executed in order to ensure that stockholders and employees will be on board? How can employees be retained to embody such a value system? These comprise just a subset of the decisions managers must make.

Fair wealth does not mean that firms will be unable to generate good returns for their owners, or that there will be less rewards for entrepreneurs. It simply means that the rules of the wealth-creation game have changed. Those who understand and adapt (and even take advantage of) these new rules will create competitive advantages and seize new value creation opportunities; those who ignore these changes and stick to business-as-usual will become history. I sometimes ask: If company X (a leading food and beverage company with a stock market valuation of more than US$100 billion) disappears tomorrow, how will society be affected? The biggest impact I have heard so far is that its employees will lose their jobs. The overwhelming consensus is that society would operate just fine without missing a beat and that many people would actually lose some weight and become healthier if this firm's products disappeared. If you are running this company or one like it, take heed. You should be very worried in the coming age of fair wealth.

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