10 *Nordics as a North Star for Realizing Sustainable Capitalism*

Not everything that is faced can be changed. But nothing can be changed until it is faced.

—James Baldwin, "As Much Truth as One Can Bear"

The Nordic Region will be the most sustainable and integrated region in the world by 2030.

—Nordic Council of Ministers, *Politics in the Nordic Region*

Humanity stands at a defining crossroads. Our actions – or inactions – over the next two decades will determine whether future generations have the freedom to flourish or struggle to survive in a world increasingly defined by conflict over dwindling resources.

E. O. Wilson warned, "We are needlessly turning the gold we inherited from our forebearers into straw, and for that we will be despised by our descendants."[1] His caution underscores the urgency of this moment. Since the Industrial Revolution, humanity's consumption has soared – from modest use of Earth's annual regenerative capacity before 1800 to exhausting a whole planet's worth by 1980. By 2030, we are on track to consume the resources of two Earths annually (Chapter 2).

Earth is humanity's endowment. Sustainability requires living off the Earth's annual interest – not depleting its principal. Today's overconsumption erodes the Earth's principal and with it, the freedom of future generations.

Capitalism warrants both praise for its achievements and scrutiny for its harmful unintended consequences. Its remarkable efficiency has propelled recent generations to consumption and quality of life levels unimaginable before the Industrial Revolution. In the whole of human history, across some 10,000 generations, it is only in the last

[1] Wilson, *The Social Conquest of Earth*, 297.

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10, the most recent 0.1 percent, that humanity has experienced the levels of material prosperity associated with modern life – a development directly shaped by the rise of capitalism.

However, capitalism's incredible efficiency has also led to the rapid depletion of Earth's natural resources, pushing beyond the planet's annual regenerative capacity and breaching planetary boundaries. Capitalism fails to differentiate between sustainable consumption – akin to living off the interest of Earth's endowment – and unsustainable exploitation, akin to depleting the endowment's principal.

Capitalism, like fire, can be harnessed for immense benefit – or cause great harm. Just as we control fire for warmth and cooking while guarding against wildfires, we must direct capitalism toward a worthy purpose.

Democratic societies possess the capacity to discern between sustainable and unsustainable practices and implement the policies needed to advance sustainability. When a society's citizens are informed by science and well versed in critical thinking, when power is sufficiently distributed throughout society, and when democratic institutions operate with good governance, they can implement policies that incentivize sustainable practices while penalizing unsustainable ones. Thus, a robust democracy is crucial for capitalism to function optimally. In contrast, oligarchic capitalism concentrates power in few hands, enabling influential interests to steer policies toward their own benefit while undermining sustainable development.

Democratic capitalism emerges as the most promising path forward because it aligns market efficiency with democratic oversight to serve long-term public goals. It provides markets with the clear purpose they need: advancing sustainable development. Arthur Okun aptly noted, "Capitalism and democracy are really a most improbable mixture. Maybe that is why they need one another."[2]

No region has blended capitalism and democracy more successfully than the Nordics. Therefore, I contend that Nordic capitalism offers invaluable lessons for realizing sustainable capitalism.

Ten Lessons from Nordic Capitalism

Nordic capitalism can serve as a North Star for realizing sustainable capitalism, offering general direction while acknowledging that each

[2] Okun, *Equality and Efficiency*, 120.

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society must chart its own specific path. The journey toward a sustainable version of capitalism will require tailored approaches based on individual contexts. Realizing sustainable capitalism in the US will differ from the Nordics, but inspiration and valuable examples can undoubtedly be drawn.

To complement the ten lessons that follow, the core ideas from this book are distilled into a set of guiding principles – "The Manifesto of Nordic Capitalism" – included in Appendix B.

Again, we must acknowledge the limitations of Nordic capitalism. It is imperfect, yet it offers meaningful lessons. Like Polaris, the North Star — which wobbles in the night sky but nonetheless provides valuable direction — Nordic capitalism can serve as a guide despite its shortcomings.

The following ten lessons from Nordic capitalism provide critical insights for transforming American capitalism. These lessons are effectively a culmination of the "so what?" of the book, to borrow a note from Miles Davis. They begin with arguably the most fundamental lesson: confronting denial.

Lesson 1: Denial – Get Over It

Denial is a fundamental barrier to progress. Cognitive dissonance helps explain why individuals and societies often reject uncomfortable truths rather than confront them.[3] Combined with what sociologists call "systems justification theory," this psychological mechanism leads individuals and organizations to defend the status quo even when it contradicts their stated values. From climate change to structural inequality, this resistance in the form of denial prevents collective action.[4]

Two steps can help overcome such denial.

Step 1: Consider Hypocrisy as a Potential Systems Failure

Hypocrisy arises when people's behavior diverges from their stated values. Rather than dismiss or hide these contradictions, we should

[3] Eddie Harmon-Jones and Judson Mills, "An Introduction to Cognitive Dissonance Theory and an Overview of Current Perspectives on the Theory," in *Cognitive Dissonance: Reexamining a Pivotal Theory in Psychology*, ed. Eddie Harmon-Jones (Washington, DC: American Psychological Association, 2019), 3–24.

[4] John T. Jost, Mahzarin R. Banaji, and Brian A. Nosek, "A Decade of System Justification Theory: Accumulated Evidence of Conscious and Unconscious Bolstering of the Status Quo," *Political Psychology* 25, no. 6 (2004): 881–919.

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approach them with humility and curiosity. Personal hypocrisies may reveal deeper systemic failures.

After my friend Jesse was killed in a factory accident (Chapter 9), I wrote in *Wisconsin Engineer*: "We must treat the human element of our work as if it were our dearest friend … not as inputs or numbers" (see Appendix A, "Remember the People behind the Numbers").[5] Yet only a few years later, as a labor and capacity planner in corporate America, I was reducing people to numbers. I had become what I recently criticized. I was a hypocrite.

The psychological dissonance became unbearable. One morning, I could not get out of bed, and everything around me appeared in shades of blue. For the first time, I sought help for my mental health. I was forced to confront the contradictions in my life. Over time, I came to see my hypocrisy less as a personal failure and more as a reflection of the systemic failures of American capitalism – failures that too often discourage people from treating others with respect and dignity.

Decades later, returning from Copenhagen to the US brought new contradictions and hypocrisies into view. Though I had embraced car-free living in Denmark, I quickly reverted to driving in the US. After experiencing greater gender equity in the Nordics, Sarah and I nonetheless fell into traditional roles in the US – she managed childcare, while I focused on earning income.

In each case, I felt like a hypocrite. But these were not just personal inconsistencies. They were reflections of the systems around me. American capitalism, transportation design, and family policy pushed me into roles misaligned with my values. Nordic societies more deliberately address these tensions through well-designed transportation, childcare, family leave, and taxation policies and associated systems.

Acknowledging and sharing our hypocrisies takes humility – and a willingness to look bad occasionally. Nordic leadership offers a useful model in this respect. Leaders are expected to show vulnerability, often using self-deprecating humor (Chapter 5). This openness makes room for honesty, creating conditions for collective dialogue and progress.

[5] Robert Strand, "Remember the People behind the Numbers," *Wisconsin Engineer* 102, no. 3 (April 1998): 8, accessed May 13, 2020, https://search.library.wisc.edu/digital/AHKDY4BQ56Q6MJ8P/pages/ADRSAKXFPL3QV48E.

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Step 2: Accept That Multiple Truths Can Exist at Once

We often deny uncomfortable truths because they seem to threaten other truths we hold dear. But truth is not a zero-sum game. Multiple things can be true at once.

My great-great-grandparents Knut and Anne Strand worked hard after arriving in the US from Norway in 1861. My family and I have also worked hard. We are justified to feel pride in the middle-class lives we have built. But it is also true that Knut Strand was given land through the Homestead Act of 1862 – land taken by force from Native Americans. That land provided a base of opportunity for future generations, including me. I can acknowledge that the same history that helped my family build a middle-class life came with costs borne by others.

These truths can coexist. Yet many Americans seem to believe that acknowledging systemic injustice somehow erases the value of individual effort. Denying one truth to protect another is still denial.

In 2021, in the wake of George Floyd's murder in Minneapolis, Minnesota, I wrote a LinkedIn post that went viral. In it, I juxtaposed two historical truths: Truth #1 – *Leave It to Beaver* premiered on October 4, 1957, portraying an idealized American dream; Truth #2 – one month earlier, on September 4, 1957, fifteen-year-old Elizabeth Eckford faced extreme racist hostility for simply trying to attend school in Little Rock, Arkansas. I paired these events with the imagery shown in Figure 10.1.[6] I wrote, "I increasingly hear disingenuous rhetoric that to teach about the historical facts of America is to somehow teach white children not to love themselves. I believe the exact opposite. I believe that truth and love go hand in hand. I can teach my white children to love themselves while also teaching them these historical truths of America. We can build a better future together for ALL Americans by facing our truths and deciding, together, the kind of American society we desire to build."

My LinkedIn post struck a nerve. A chorus of commenters rushed to defend Truth #1 while denying Truth #2, often misappropriating Martin Luther King Jr.'s words about judging people by the content of their character rather than the color of their skin. King called it a dream

[6] Robert Strand, "If You're Black in America …" LinkedIn post, 2021, accessed May 25, 2025, https://shorturl.at/mb2WE. I saw this important comparison made elsewhere on social media, and it stuck with me. I am unable to locate the originators to give them proper credit.

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Figure 10.1 Two Truths, One Nation: America, 1957.
Source: CBS Photo Archive, *Promotional Portrait for Leave It to Beaver, c.* 1957, Getty Images, accessed October 1, 2021, https://shorturl.at/YxLIK. Used with permission. Bettmann, *Elizabeth Eckford at Little Rock Crisis, September 6, 1957*, Getty Images, accessed September 2025, https://shorturl.at/mYb9Q. Used with permission.

because it was not yet a reality in America. His own children, and children like Elizabeth Eckford, were not judged by the content of their character – they were judged by the color of their skin. Acknowledging that reality is necessary to move toward solving the problems at hand.

Denial may offer comfort in the short run, but it's a terrible way to solve real problems.

Consider the reality of climate change and the widespread denial about it that continues to shape American discourse. Truth #1: My generation, and the generation before me, has benefited immensely from technological advancements and consumption. Truth #2: Since about 1980, we are exceeding planetary boundaries, undermining future generations' ability to meet their needs. Charles Koch, among others, has spent decades promoting Truth #1 while denying Truth #2 – an evasion younger generations can no longer afford. As one sixteen-year-old student wrote when joining Greta Thunberg's climate strike, "We strike because they will be dead while we are living in the chaos they left behind."[7]

[7] Matilda Warwick, "Why I Joined School Climate Strikes and Greta Thunberg to Stop Damage to the Environment – My Dad Actually Supports Me," *The i Paper*,

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Overcoming denial begins with recognizing that truth is not a threat but a starting point. Progress depends on acknowledging complexity and uncomfortable realities rather than retreating into denial. In a pluralistic society, this means approaching opposing views with humility, curiosity, and critical thinking.

American Denial: Get Over It

As mounting evidence exposes the inability of unfettered markets to solve pressing social and environmental challenges, the neoliberal near-religious belief in unfettered market solutions has lost credibility. American neoliberal ideologues face a choice: adjust their ideology or deny reality.

Denial has become a familiar response in the US. When I testified before Congress's Small and Medium Business Committee in 2019 and suggested that American capitalism could be improved by drawing lessons from Nordic capitalism, Representative Hagedorn accused me of "going against capitalism," implying I was advocating for a version of Soviet socialism while he invoked unfounded claims of American supremacy (Chapter 4). Hagedorn's actions reflect a broader pattern in the US in which troubling realities, like climate change and a range of societal-level problems, including lack of access to healthcare and the declining affordability of university education, are met with charges of "socialism" and related denial tactics.[8] Denial in America more recently extended to the realm of basic democratic functioning as the results of a fair election were rejected by a chorus of deniers, including Hagedorn, directly threatening democracy in the US.[9]

The strategy of denial has proven successful in both American politics and corporate America. Pioneered by chemical companies attacking Rachel Carson's *Silent Spring* in the 1960s, denial reached new heights when tobacco companies concealed known health risks and fossil fuel corporations suppressed their own research confirming climate change.

July 5, 2019, updated October 8, 2020, accessed September 30, 2025, https://inews.co.uk/news/environment/school-climate-strike-greta-thunberg-309663.

[8] Jim Hagedorn, "Editorial Counterpoint from Hagedorn: This Election Gives Voters a Clear Choice – Socialism vs. Freedom," StarTribune.com, October 30, 2020, accessed November 1, 2020, https://shorturl.at/A3a4d.

[9] Gabe Schneider, "Rep. Jim Hagedorn Doesn't Believe in Man-Made Climate Change. In His District, the Climate's Changing Anyway," MinnPost.com, March 18, 2020, accessed November 1, 2020, https://shorturl.at/jSFu0; "Which Members of Congress Objected to the Election Results?" *The New York Times*, January 7, 2021, accessed February 1, 2021, https://shorturl.at/A95wb.

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As the US becomes less democratic and increasingly oligarchic, the challenges to overcome denial intensify. Powerful industries and individuals, whose wealth and power depend on maintaining the status quo, actively resist the transition to sustainable capitalism. Upton Sinclair's succinct observation merits repeating: "It's difficult to get a man to understand something when his salary depends on not understanding it."[10]

History shows how denial by ruling elites can accelerate a society's decline. As Adrian Goldsworthy demonstrates in his analysis of Rome's fall, the empire's elite persistently denied mounting systemic problems even as their society's foundations weakened. They refused to acknowledge their increasingly ineffective governance and internal corruption, while simultaneously failing to maintain the shared identity and loyalty that had bound their allies across the empire. Their denial prevented necessary reforms until it was too late.[11] The parallel to modern American society's refusal to face its own systemic challenges – from weakening democratic institutions to eroding relationships with international allies to climate change denial – is striking.

Overcoming denial requires both the willingness to face uncomfortable truths and the tools to analyze them critically. "I love America more than any other country in this world, and, exactly for this reason, I insist on the right to criticize her perpetually," wrote James Baldwin in *Notes of a Native Son*. Baldwin reminds us that loving one's country means confronting hard truths in the spirit of improvement.[12] Likewise, as introduced in the prologue, Gil Scott-Heron challenges us to recognize that the most transformative revolutions begin in the mind. Near the end of his spoken-word song "The Revolution Will Not Be Televised," he adds, "The revolution will put you in the driver's seat."

Confronting denial that was strategically cultivated by powerful interests is not merely an act of resistance; it is an act of empowerment. It is how we reclaim democratic agency and reshape capitalism to serve the public good.

National education systems emphasizing critical thinking equip societies with these necessary analytical tools. The Nordic educational emphasis on critical thinking has proven especially valuable in an era of rising populism and political polarization. Labels like "socialism" or,

[10] Sinclair, *I, Candidate for Governor*, 109.
[11] Adrian Goldsworthy, *How Rome Fell: Death of a Superpower* (New Haven: Yale University Press, 2009).
[12] James Baldwin, *Notes of a Native Son* (Boston: Beacon Press, 2012).

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more recently, "woke," often serve not merely as shorthand critiques but as tools to delegitimize opposing viewpoints without substantive engagement (it does not mean that concepts of socialism or "woke" are beyond critique, but that critiquing them solely with pejorative labels is insufficient). This tendency is often exacerbated in media environments prioritizing sensationalism over depth of analysis, contributing to a public discourse that is increasingly polarized and less informed. Furthermore, societies that do not promote rigorous critical thinking are also more susceptible to the rise of autocratic leaders who exploit divisiveness and name-calling to consolidate power, manipulating public sentiment and undermining democratic processes.

A common adage holds that it is easier to fool people than to convince them they have been fooled. Would-be tyrants understand that well, constructing alternative realities that deny uncomfortable truths and fabricate false enemies. "You submit to tyranny when you renounce the difference between what you want to hear and what is actually the case," warns Timothy Snyder.[13] When reality inevitably asserts itself, the damage to democratic institutions, social bonds, and basic human decency may be irreparable.

The ultimate cost of denial is freedom itself.

Lesson 2: Establish Universally Subsidized Childcare

Nordic societies prioritize public investments in children. The Nordic commitment to "the good childhood" is reflected in their public investment levels: Denmark, Finland, Iceland, and Norway spend $23,000–$29,000 annually per child – compared to the OECD average of $14,000 and just $500 in the US.

Since pioneering universal childcare subsidies in the 1960s and 1970s, Nordic nations have built comprehensive systems that support both child development and workforce participation. Denmark's model, where families pay no more than 25 percent of childcare costs through age ten, shows how universal support can simultaneously advance child well-being, gender equality, and economic productivity.[14]

[13] Timothy Snyder, *On Tyranny: Twenty Lessons from the Twentieth Century* (New York: Random House, 2017), 66.

[14] Judith T. Wagner and Johanna Einarsdottir, eds., "The Good Childhood: Nordic Ideals and Educational Practice," editorial, *International Journal*

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Nordic investments in child welfare advance multiple SDGs through an integrated approach: they ensure inclusive, equitable education from early childhood (SDG #4 "Quality Education"); enable mothers' workforce participation and economic independence (SDG #5 "Gender Equality"); promote sustainable economic growth through increased labor participation (SDG #8 "Decent Work and Economic Growth"); minimize early childhood development disparities across socioeconomic groups (SDG #10 "Reduced Inequalities"); and support family health through reduced stress and improved work–life balance (SDG #3 "Good Health and Well-Being").

Adopting universally subsidized childcare in the US would significantly reduce childcare costs and address socioeconomic challenges. US experts like Caitlyn Collins highlight multiple benefits, including reduced childcare costs for low to middle-income families who need it most, improved workforce participation that addresses gender and racial disparities, and enhanced political durability through universality.[15] The government's role in managing universally subsidized childcare is primarily limited to tax collection and subsidy distribution, thereby sidestepping common concerns in the US about public sector operational inefficiency.

States in the US competing to attract workers and businesses might recognize the competitive advantage of universally subsidized childcare. Utah claims to be the "most family-friendly state." Still, it faces high childcare costs that burden its working parents, much like the rest of the US.[16] Utah established the Office of Families in 2022 to

of Educational Research 47, no. 5 (2008): 265–269, doi.org/10.1016/j.ijer.2008.12.005; Einarsdottir and Wagner, eds., *Nordic Childhoods and Early Education*; Claire Cain Miller, "How Other Nations Pay for Child Care. The U.S. Is an Outlier," *New York Times*, October 6, 2021, accessed February 1, 2022, www.nytimes.com/2021/10/06/upshot/child-care-biden.html; Nabanita Datta Gupta, Nina Smith, and Mette Verner, "Child Care and Parental Leave in the Nordic Countries: A Model to Aspire to?" *IZA Discussion Paper* No. 2014 (Bonn: Institute for the Study of Labor, March 2006).

[15] Claire Cain Miller, "Which of These 4 Family Policies Deserves Top Priority?" *New York Times*, October 13, 2021, updated November 3, 2021; Caitlyn Collins, *Making Motherhood Work: How Women Manage Careers and Caregiving* (Princeton: Princeton University Press, 2019).

[16] Megan Banta, "'Shocking': New Report Raises Alarms about Utah Child Care Access," *Salt Lake Tribune*, October 25, 2023, accessed March 1, 2024, www.sltrib.com/news/2023/10/25/shocking-new-report-raises-alarms/; Rhiannon McDaniel, "Opinion: I've Spent More than $3,000 on Child Care in One Month. Here Is One Way Utah Could Better Support Families," *Salt*

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explore effective childcare policies.[17] By addressing its high childcare costs through such proven policies as universal subsidized childcare, Utah could set a precedent showing other states how family-friendly policies are a component of a business-friendly environment.

The US business community could emerge as a critical ally. Businesses are severely impacted by losing productive workers and absenteeism due to inaccessible childcare. The 2024 BCG Report titled *Childcare Benefits More than Pay for Themselves at US Companies* encourages companies to assume childcare costs for their employees, assessing the benefits from a productive workforce far outweigh childcare costs.[18] However, tethering additional social services to employment could increase labor market rigidity. Moreover, small and medium-sized businesses might struggle to absorb these high costs. The US faces a decision whether to treat childcare as another employment benefit funded by companies or follow the Nordic example. US business leaders can champion the cause of universal subsidized childcare as good for business because it frees businesses to focus on what they do best: *Business*.

Furthermore, subsidized childcare could help bridge societal divides in the US. By bringing together parents from diverse backgrounds, childcare facilities can foster community, trust, and mutual understanding. They can become places where Americans participate in a common project: ensuring the well-being of our children. In doing so, these spaces help cultivate a stronger sense of "We" through recognition that our children's future is a shared responsibility.[19]

Lake Tribune, February 5, 2024, accessed March 1, 2024, www.sltrib.com/opinion/commentary/2024/02/05/opinion-ive-spent-more-than-3000/.

[17] "Strengthening Families," [Utah] Governor Spencer J. Cox, last modified 2022, accessed April 1, 2022, no longer available, https://governor.utah.gov/issues/health.

[18] Emily Kos, Kelsey Clark, Nicole De Santis, and Tyler Joseph, *Childcare Benefits More than Pay for Themselves at US Companies*, Boston Consulting Group, March 26, 2024, accessed May 1, 2024, https://shorturl.at/uAQM9.

[19] Christian Albrekt Larsen, *The Rise and Fall of Social Cohesion: The Construction and De-construction of Social Trust in the US, UK, Sweden and Denmark* (Oxford: Oxford University Press, 2013); Laura Dunne, Aoibheann Brennan-Wilson, Nicole Craig et al., "Promoting Social Cohesion and Peacebuilding through Investment in Early Childhood Development Programs," in *Transitioning to Peace: Promoting Global Social Justice and Nonviolence*, ed. Wilson Lopéz Lopéz and Laura K. Taylor (Cham: Springer, 2021), 305–322.

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Lesson 3: Ensure Universal Access to Quality Education Rooted in Critical Thinking

The prosperity enjoyed by modern-day Nordic societies results from "generations of phenomenal educational policy," as David Brooks wrote.[20] Even when the Nordics were among Europe's poorest nations in the mid 1800s, they invested in education, and their investments paid great returns. Economic historian Peter Lindert asserts that the world's most significant error in social policy has been the underfunding of mass education. In his book *Making Social Spending Work*, Lindert demonstrates that societies flourish when they invest in their children through access to good quality education for all.[21]

Nordic societies have consistently valued providing good quality education for the many over elite education for a select few. Grundtvig-inspired folk schools have emphasized an education accessible to all citizens, initially attending to the many peasants of society rather than the few elites.

Furthermore, universally subsidized early childhood education ensures that every child in the Nordics has access to good-quality preschool independent of the circumstances of the family in which they are born. Research indicates that universal early education supports equal opportunities by increasing children's noncognitive capabilities in less-advantaged homes and communities. At the other end of childhood, tuition at Nordic universities is paid through taxes collected, ensuring that the decision to pursue tertiary education is one of individual level aspirations, not one of considerations of family wealth and whether one's parents can afford it, or whether one can take on student loan debt.

The Nordic secret to education is consistent with the powerful Grundtvig quote repeated in this book, "In wealth, we have come far, when few have too much and few too little" (Chapter 4). Folk schools address learners' real problems while expanding their worldview. At the time of Grundtvig's original folk schools in Denmark, practical problems related to cultivating the land and tending to livestock. Solutions were proposed, such as how to operate best and

[20] Brooks, "This Is How Scandinavia Got Great."
[21] Peter H. Lindert, *Making Social Spending Work* (Cambridge: Cambridge University Press, 2021).

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coordinate the farm's activities beyond a single farm, leading to the establishment of cooperatives according to democratic principles. This coordination rose above the ideas of Me to considerations of We. Individual farmers, cooperating at a scale that afforded them more power, realized greater freedom to control their destinies through the cooperatives.

Nordic educational success is not the result of a commitment to exceptionalism – like trying to establish little Harvards across the Nordic nations – but rather a commitment to simply making education consistently good for most everyone. In doing so, the seemingly mundane good at the individual level sums up to the exceptionally good at the societal level with a heightened degree of opportunity for more people – regular people – to realize their full potential. "Everyday life is quite ordinary" in a Finnish school, remarked Pentti Moilanen when explaining why Finnish schools are number one in global education rankings.[22] If one expects to see that their exceptional results arise from hyper-intense school days with long hours and many tests, one will be surprised. Finnish schools assign less homework and engage children in creative play. Children are regularly outdoors in nature, even in rain or snow, contributing to their healthy development, well-being, and positive environmental attitudes and values.[23] Classrooms are open and airy. All children receive free, high-quality school meals as a public service. Teachers are amongst the most respected members of society and have significant freedom within their classrooms.

Most critically, Nordic education is fundamentally rooted in critical thinking – a vital bulwark against the threats of tyranny and erosion of democracy. Nordic schools emphasize developing critical thinking skills, encouraging students to question assumptions, evaluate evidence, and identify logical fallacies. This focus on critical thinking has proven particularly valuable in the social media age. Finland leads the world in media literacy, with other Nordics close behind. Nordic citizens' heightened ability to identify misinformation, verify sources before sharing claims, and think critically about

[22] Pentti Moilanen, "Foreword" in Andere, *The Future of Schools and Teacher Education*, ix.

[23] Tim Gill, "The Benefits of Children's Engagement with Nature: A Systematic Literature Review," *Children, Youth and Environments* 24, no. 2 (2014): 10–34.

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media content demonstrates how educational emphasis on analytical skills creates more resilient democracies.

The importance of critical thinking in education cannot be overstated in an era where democracies face unprecedented threats from both external and internal forces. As Timothy Snyder emphasizes in *On Tyranny*, would-be autocrats are fundamentally bullshitters – in the Harry Frankfurt sense of the word – who construct their own versions of reality to suit immediate selfish needs and force that version of truth upon society. The best defense against tyrants and their attempts to manipulate truth is a population well-versed in critical thinking, capable of identifying logical fallacies and demanding evidence for claims.[24]

The stark contrast between Nordic and US performance in media literacy rankings reveals the consequences of different approaches to education. While Nordic citizens are more likely to verify sources and think critically about information, the US's comparatively poor performance in these assessments manifests in concerning ways. When faced with misinformation or potential foreign interference in democratic processes, societies with strong critical thinking capabilities are far better equipped to maintain democratic resilience.

Thomas Jefferson forcefully emphasized that an educated citizenry, practiced in skepticism and critical thinking, is required for democracy's survival. "It wasn't enough," Carl Sagan noted of Jefferson's view, "to enshrine some rights in a Constitution or a Bill of Rights. The people had to be educated and they had to practice their skepticism and their education."[25] In *How Democracies Die*, Levitsky and Ziblatt further argue that beyond constitutional structures, democracies need the "guardrails" of cultural norms to remain stable, including a reverence for truth and critical thinking that do not tolerate bullshitting or widespread lying as means of amassing power in society.[26]

The Nordics' commitment to universal access to quality education rooted in critical thinking equips their societies to tackle threats to democracy and guard against the rise of authoritarian leaders.

[24] Snyder, *On Tyranny*; Harry G. Frankfurt, *On Bullshit* (Princeton: Princeton University Press, 2005).

[25] Carl Sagan, interview by Charlie Rose, "Carl Sagan," Charlie Rose (PBS), aired May 27, 1996, accessed September 30, 2025, https://charlierose.com/videos/9094.

[26] Levitsky and Ziblatt, *How Democracies Die*.

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Lesson 4: Where the Markets Fail, Establish Efficient Universal Systems (and Keep Improving Them)

Friedman exemplified the unwavering faith in markets to solve any problem, declaring, "Underlying most arguments against the free market is a lack of belief in freedom itself."[27] Equating the mere questioning of markets with a "lack of belief in freedom" is a hallmark of neoliberal ideology.

Market failures in healthcare delivery systems directly constrain individual freedoms and human potential. This is starkly illustrated in the US, where approximately four million children lack healthcare access – a sharp contrast to Nordic nations where universal healthcare is guaranteed. The US system's structural deficiencies manifest in multiple ways: coverage denials for pre-existing conditions, byzantine administrative processes that burden both providers and patients, and the persistent uncertainty of coverage even for insured individuals. These systemic failures represent not merely inconveniences, but fundamental constraints on individual liberty and social welfare. The frequent inability to determine coverage eligibility prior to treatment and the prevalence of unexpected medical bills exemplify how market failures in healthcare create barriers to both access and planning that particularly impact society's most vulnerable members.

Markets fail for access to healthcare, and in so many other domains, including education, access to daycare, paid parental leaves, and addressing mounting challenges of environmental degradation.

Nordic societies have adopted a pragmatic approach to using markets where they work, and opt for something else when they do not. Nordic citizens vote on which objectives to pursue (e.g., healthcare, childcare, education), how much tax revenue must be collected to support such objectives, and then commit to building efficient systems to achieve them. Anu Partanen reminds us, "This is not the rich paying for the poor. This is about the middle class paying for itself."[28]

[27] Milton Friedman, *Capitalism and Freedom* (Chicago: University of Chicago Press, 2020), 19.

[28] "Nordic Talks: Parental Leaves in the Nordics," Center for Responsible Business, Berkeley Haas, Haas School of Business, University of California, Berkeley, event held December 2, 2019, accessed May 25, 2025, https://shorturl.at/r9jUT.

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The Nordic approach demonstrates how societies can move beyond ideological battles over markets versus state intervention to focus instead on what actually works. While US policy debates often remain trapped in Cold War-era dichotomies between "free markets" and "big government," Nordic societies have developed what Klein and Thompson describe in *Abundance* as systems that move beyond artificial scarcity, where public investment and market mechanisms work in concert to expand possibilities.[29] The result is reliable, efficient outcomes that expand both individual and collective prosperity.

A prevailing narrative propagated by neoliberalism has portrayed the poor as exploiting the affluent and unworthy of public support. This framing reduces poverty to personal failure and has often carried racial undertones. Ronald Reagan helped popularize the "Welfare Queen" myth, and since the mid 1960s, women of color have been cast in this role, portrayed as freeloaders and con artists.[30]

"There's class warfare, all right. But it's my class, the rich class, that's making war, and we're winning," remarked Warren Buffett. Buffett tabulated taxes paid by everyone in his office versus income; he paid far less in taxes as a fraction of income than anyone else, including secretaries and clerks. "How can this be fair?" Buffett asked.[31] Not only is it unfair, but it's also inefficient. Nordic societies build efficient, universally available systems as a reliable default option, and the successes speak for themselves. Everybody benefits when markets are used where they work well but not dogmatically clung to where they do not.

Nordic nations also demonstrate a commitment to continuously improving universal systems. In recognition that mothers took far more parental leave than fathers, in 1993, Norway was the first country to allocate a four-week leave for fathers with a "use it or lose it" policy to encourage gender equality. Sweden followed Norway's lead, implementing a "daddy month in 1995."[32] Denmark, Iceland,

[29] Ezra Klein and Derek Thompson, *Abundance* (New York: Crown, 2025).
[30] Jeremy Lybarger, "The Price You Pay," *The Nation*, July 2, 2019.
[31] Ben Stein, "In Class Warfare, Guess Which Class Is Winning," *New York Times*, November 26, 2006.
[32] Arijit Nandi, Deepa Jahagirdar, Michelle C. Dimitris et al., "The Impact of Parental and Medical Leave Policies on Socioeconomic and Health Outcomes in OECD Countries: A Systematic Review of the Empirical Literature," *Milbank Quarterly* 96, no. 3 (September 2018): 434–471, doi.org/10.1111/1468-0009.12340.

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and Finland would follow suit with dedicated paid parental leave time for fathers to encourage greater equality among genders.

Lesson 5: Expand Positive Freedoms for All (Not Just Negative Freedoms for the Powerful Few)

Throughout its history, the US has focused primarily on expanding freedoms in terms that Isaiah Berlin would characterize as "negative freedom," freedom *from* something. The expansion of negative freedom is often a matter of power, and the US's most powerful individuals and families enjoy extraordinary freedoms (Chapter 7).

Expanding negative freedom includes freedom from paying taxes. "Only the little people pay taxes," Leona Helmsley, an infamously wealthy US businessperson convicted of tax evasion in the 1980s, once said. A culture of tax avoidance by the powerful has been increasingly normalized and legalized. During a 2016 presidential debate, Donald Trump was accused of not paying taxes. He replied, "That makes me smart."[33] Today, the US's billionaires and largest corporations routinely pay little to no taxes.[34]

In the Nordics, freedom is more often considered in terms Berlin characterizes as "positive freedom," the freedom *to* do something. Positive freedom includes access to good education, childcare, paid parental leaves, and healthcare. It is represented by "freedom to roam," where everyone can access land whether or not they own it; they can forage mushrooms and berries, set up camp, and light a campfire (Chapter 4).[35]

With the continued US march toward oligarchy and away from democracy, the expansion of negative freedoms for powerful individuals will continue. Increasingly, democracy is framed as the enemy in the US that limits the freedoms of the powerful, a trend that must be reversed. The US can directly learn from the experiences of the Nordics to build a society where most everyone has the freedom to thrive.

[33] Richard Rubin, "Donald Trump on Not Paying Taxes: 'That Makes Me Smart,'" *Wall Street Journal*, September 26, 2016.
[34] Kenneth Scheve and David Stasavage, *Taxing the Rich* (Princeton: Princeton University Press, 2016).
[35] "Land of the Free: The Right of Public Access," Visit Sweden, accessed May 25, 2025, https://shorturl.at/7au8V.

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Lesson 6: Celebrate Stewards and Ostracize Extractors

We should celebrate the stewards who work in harmony with the Earth and cooperate with other people. Conversely, we should ostracize the extractors who attempt to dominate the Earth's resources and other people.

Stewards commit themselves to expand the freedoms of others – current and future generations – while extractors focus on expanding their own freedom, frequently at the cost of others' freedoms. Stewards demonstrate humility and leverage their positions of power to further disperse power across society in a manner more consistent with democratic ideals. Extractors leverage their positions of power to extract what they can in their quest for more. Stewards assume a role as lobbyists for society and future generations. Extractors assume a role as lobbyists for themselves.

Stewards are more likely to rise into the upper echelons of power in Nordic societies than in US society. Longtime CEOs Mads Øvlisen of Novo Nordisk and Mads Nipper of Ørsted embody the sort of stewards commonly found atop Nordic-based organizations (Chapter 6). Exalting the stewards into positions of power is critical to maintaining the strength of Nordic democracies, as democracy demands a culture of stewardship.

In the US, corporate stewards like Patagonia's founder Yvon Chouinard are often seen as anomalies. When Chouinard transferred his billion-dollar company to a trust and nonprofit dedicated to environmental protection in 2022, the move was celebrated but regarded as an exceptional act rather than a template for responsible business leadership.[36]

However, Chouinard's approach has been commonplace in Denmark. "Chouinard's Donation of Patagonia Is Big and Bold, But Not New," reads the title of a subsequent *Forbes* article. The article describes how Danish corporations, including Carlsberg, Novo Nordisk, and Rambøll, had founders who had donated their companies (or majority voting shares) to a corresponding enterprise foundation (Chapter 6). The article reads, "While this approach may seem novel in the US, it has been deployed for decades in Scandinavia. It's demonstrated that billionaires

[36] David Gelles, "Billionaire No More: Patagonia," *New York Times*, September 14, 2022.

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can give away their companies and continue to generate considerable profits, while also contributing substantially to social and environmental causes."[37]

Chouinard has set a precedent for other US billionaires and company founders to follow his stewardship lead and help normalize a culture of celebrating stewards and ostracizing extractors.

Lesson 7: Pursue Smart Policies and Good Governance (Stop Fighting about "Big" versus "Small" Government)

American political discourse remains constrained by a Cold War-era dichotomy between "big" and "small" government – a false choice deliberately stoked by Reagan and neoliberals to equate any State involvement with Soviet socialism. "Government is not the solution to our problem. Government is the problem," proclaimed Reagan in his inaugural address in 1981.[38]

This anti-tax, anti-government ideology is reflected in Milton Friedman's categorical declaration: "I am in favor of cutting taxes under any circumstances and for any excuse, for any reason, whenever it's possible."[39]

Such absolutist positions represent a fundamental barrier to realizing sustainable capitalism, which requires strategic deployment of both market mechanisms and democratic processes including effective tax policies. Carbon taxes can internalize environmental externalities, establishing markets to drive sustainable innovation. Similarly, income taxes to fund universal systems education and subsidized childcare represent democratic investments in society's collective capacity (Lesson 2).

Efforts must be redirected from inherently fighting government to instead fighting for smart policies and good governance.

Nordic business leaders engage in discussions to shape smart policies and commitment to good governance that better ensures a healthy

[37] Tima Bansal, "Chouinard's Donation of Patagonia Is Big and Bold, but not New," *Forbes*, September 20, 2022.

[38] "Inaugural Address, 1981," Ronald Reagan Presidential Library & Museum, January 20, 1981, accessed May 25, 2025, www.reaganlibrary.gov/archives/speech/inaugural-address-1981.

[39] Milton Friedman, quoted in Richard A. Viguerie, *Conservatives Betrayed* (Chicago: Bonus Books, 2006), 46.

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society. The Nordic business community has wielded its power to champion the policies and practices that resulted in the Nordic model. Universal healthcare, education, services for children, good wages secured for everyone through effective unions and collective bargaining arrangements, and sensible environmental policies are all hallmarks of Nordic societies for which the Nordic business community has advocated from the late 1800s to today.

Business Leaders Must See Themselves as Lobbyists for Society First, Their Companies Second

The "first priority" of the Nordic business community "is the health of the country, not immediate financial returns," wrote Henderson in *Reimagining Capitalism* (Chapter 6). She continued, "And for over a hundred years, this commitment has been fundamental to its success. The case of Denmark highlights how business can play a central role in framing policy without subverting the democratic process. Business is an important and active voice in the conversation, but it does not seek to control either the process or the endpoint."[40]

Nordic business leaders commonly see themselves as stewards of societal interests, not just their company's interests, such as slashing corporate taxes paid. The Nordic public expects their business leaders to behave as such. Supporting democratic principles and practices is a central tenet that Nordic business leaders must adhere to be accepted in Nordic societies.

Yet even the Nordic nations face profound challenges ahead. Scientists studying the relationship between social outcomes and environmental impacts have reached a stark conclusion that currently no countries achieve high level of social welfare outcomes while staying within planetary boundaries.[41] This finding underscores the unprecedented scale of transformation needed – and why business leaders must become more active advocates for policies that can help societies thrive within environmental limits. The Nordic approach of business leaders acting as stewards and partnering with government to develop smart policy provides a proven model for tackling this existential challenge.

[40] Henderson, *Reimagining Capitalism*, 239.
[41] Kallis, Hickel, O'Neill et al., "Post-Growth."

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US business leaders should follow Nordic examples by advocating for smart, society-wide policies – such as universal healthcare, family support, and labor protections – that foster prosperity and democratic resilience. They should see themselves as lobbyists for the well-being of society.

US business leaders must also champion more active labor policies, like in the Nordics, to encourage the supply of good jobs focused on tackling challenges represented by the SDGs, including climate change and social inclusion. Dani Rodrik and Stefanie Stantcheva outline these challenges and opportunities in their article, "Fixing Capitalism's Good Jobs Problem."[42] Nordic societies are well-positioned to encourage the dramatic growth of good jobs given their willingness to establish ambitious societal-level sustainability goals coupled with the Nordic competencies for effective labor market policies as part of Nordic flexicurity (Chapter 4).

Coupling bold sustainability goals with good jobs is vitally important to help ensure alignment between SDG #8 "Decent Work and Economic Growth," SDG #13 "Climate Action," and SDG #7 "Affordable and Clean Energy." Alleviating potential tensions between these SDGs mitigates fear that can arise when some jobs must be phased out in the transition to future-oriented jobs – such as with the necessary shift from fossil-fuel sector jobs to renewable energy sector jobs. Clinging to jobs of the past is foolhardy but, unfortunately, all too often politically expedient as fears can be readily stoked by powerful actors who desire to thwart necessary progress.[43]

The 2019 Danish Climate Law "promises to bring the Danish way of life within planetary boundaries," write economists Asker Volgsgaard et al. They continue, "In the labour market, a green job guarantee can keep the economy at full employment to preserve livelihoods and sustain political support for change."[44] In 2022, Finland became the first country in the world to make its stated objective to

[42] Dani Rodrik and Stefanie Stantcheva, "Fixing Capitalism's Good Jobs Problem," *Oxford Review of Economic Policy* 37, no. 4 (2021): 824–837.

[43] Keith Johnson, "Trump Can't Save Coal Country," *Foreign Policy*, October 30, 2019.

[44] Asker Volgsgaard, Mariana Mazzucato, and Rowan Conway, *From Competition State to Green Entrepreneurial State: New Challenges for Denmark* (Copenhagen: Djøf Forlag, February 2022).

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carbon negativity legally binding (Chapter 1).[45] Finland's future jobs will be those good jobs described by Rodrik and Stantcheva.

Nordic flexicurity promotes a societal-level growth mindset and the creation of future-oriented good jobs.

Artificial Intelligence is poised to replace hundreds of millions of full-time jobs globally, understandably raising anxieties among workers everywhere. Nordic flexicurity – where labor, business, and government leadership work closely together – offers valuable lessons for managing AI's disruption of work and these associated fears. In April 2024, at "AI and the Future of Work: Norway in Conversation with California," hosted by the Nordic Center at University of California, Berkeley, Ole Erik Almlid, CEO of the Confederation of Norwegian Enterprise, affirmed that tripartite cooperation allows Norway to adapt quickly which is vital for the competitiveness of companies, while Peggy Hessen Følsvik, President of the Norwegian Confederation of Trade Unions, emphasized workers' desire to be at the table when discussing ways to implement AI on the job. Norwegian Minister of Trade and Industry Jan Christian Vestre emphasized how the tripartite model's structure enables ongoing dialogue to build trust, ensuring decisions serve society's broader interests rather than allowing any single group to dominate. By embedding trust-building mechanisms into national labor policy and giving workers meaningful input in implementation decisions, Nordic societies reduce fear while positioning themselves to capture AI's benefits.

The Nordic approach stands in stark contrast to regions where AI deployment often occurs with minimal worker involvement, eroding trust between employers and employees, which is arguably the case in the US at present.[46]

Where Is the Action from US Business Leaders?

While Nordic business leaders have long advocated for policies that support societal well-being, US business leaders have too often

[45] Lisa M. Jenkins, "Finland's Binding Climate Negative Goal Is the New Gold Standard," *Protocol*, May 25, 2022.

[46] Andrew Packer, "AI, Employees, and Trust: How the Nordic Model Can Help Future-Proof Organizations," *California Management Review Insights*, June 3, 2024, accessed November 1, 2024, https://shorturl.at/JXrtR.

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prioritized corporate interests. Though the Business Roundtable signaled support for climate action,[47] and a higher minimum wage,[48] these positions have rarely translated into substantive advocacy.

Meanwhile, fossil fuels remain over-subsidized – distorting markets and impeding adoption of renewables (Chapter 3). For business to play a constructive role in advancing sustainable capitalism, rhetoric must give way to action – particularly in support of policies that align market incentives with sustainability goals.

Where power is sufficiently dispersed, like in the Nordics, minimum wage laws are unnecessary. Recall that a McDonald's worker in Denmark makes $22/hour (Chapter 3). In contrast, power is overly concentrated in the US. US corporations are price makers that leverage their power to suppress wages below market equilibrium, representing a market failure. Therefore, a substantial increase in the minimum wage is needed to nudge the US toward market equilibrium, and targeted efforts to disperse power must be made. Here, the US must learn from the effective power-dispersing mechanisms established across Nordic societies (Chapter 4)

The Business Roundtable must move from rhetorical support to concrete action – especially when it comes to advancing policies like minimum wage increases and collective bargaining rights. In the Nordics, business leaders have long advocated for societal well-being through support for universal systems and labor rights. US leaders can follow suit by championing democratic institutions and shared prosperity, not just shareholder returns.

Despite the Business Roundtable's rhetoric about building an inclusive economy, member corporations commonly prioritize tax avoidance and maintaining subsidies over meaningful policy reform.

Perhaps some of that *janteloven* exhibited by Nordic CEOs (Chapter 5) could do US CEOs some good. CEOs should hold one another accountable. For example, US CEOs should advocate *against* ballooning their own salaries, fueled by stock options, where their pay has become a function of power rather than merit

[47] "A Call to Action from the Global Business Community: Global Businesses Support Climate Action that Enhances Competitiveness," Business Roundtable, October 28, 2021, accessed May 25, 2025, https://shorturl.at/4HPXF.

[48] "Federal Minimum Wage Policy," Business Roundtable, accessed May 25, 2025, https://shorturl.at/j20vA.

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(Chapter 6). US CEOs have the highest CEO-to-worker pay ratios globally, having inflated from 15:1 in 1965 to 350:1 in 2020 (Chapter 9) as the US has marched toward oligarchic capitalism. CEOs must advocate for alternative corporate structuring favoring long-term stewardship (Chapter 6). The Purpose Foundation in the US helps to structure US companies to encourage this stewardship approach of ownership, mirroring the benefits of the Danish enterprise foundation model within the constraints of the US legal system.[49]

Today, American business leaders would do well to heed the example of their Nordic counterparts, who faced widespread labor unrest and the rise of socialist movements in the late nineteenth and early twentieth centuries. Rather than positioning themselves in rigid opposition, Nordic business leaders recognized that the long-term viability of capitalism depended on fostering shared prosperity. They partnered with reform-minded social democrats and supported the development of strong, effective labor unions – recognizing the importance of having credible negotiating partners. Together, they helped construct policies and institutions that expanded opportunity and reinforced the social contract.

By contrast, many US business leaders and members of the economic elite today continue to rely on adversarial rhetoric – dismissing workers as "lazy" or labeling appeals for living wages as "socialist." A different approach is needed – one that acknowledges the mutual dependence of economic success and social stability. Supporting institutions that expand opportunity, ensure decent working conditions, and build public trust is not a concession but a pragmatic strategy for sustaining capitalism in a democratic society. In doing so, business leaders can help cultivate a deeper sense of shared purpose – a stronger "We" – and contribute to the foundations of capitalism itself.

Lesson 8: Cooperation Is Strength

How we discuss the world – as fundamentally cooperative or competitive – shapes our expectations and often becomes a self-fulfilling

[49] "Purpose," Purpose US, accessed May 25, 2025, www.purpose-us.com/.

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prophecy. As Lakoff and Johnson demonstrate in *Metaphors We Live By* (Chapter 9), the metaphors we use shape our deepest patterns of thought and action. When individuals and organizations view each other primarily as competitors, it encourages a zero-sum mentality that sees the world as an arena of conflict (Chapter 6). Yet addressing contemporary global challenges requires cooperation at a global scale.

No nation to date has achieved good social outcomes while staying within its fair share of planetary boundaries.[50] The path forward requires unprecedented cooperation across societies to reimagine how we can achieve human well-being while respecting planetary boundaries. An overemphasis on competition and growth as ends in themselves obscures the fundamental interdependence of social, environmental, and economic systems. What's needed instead is a narrative that recognizes cooperation as the cornerstone of long-term business success and societal flourishing.

The Nordic tripartite model involves ongoing structured cooperation among labor unions, employers, and the state. This model supports high wages and robust social security without the need for minimum wage laws, promoting shared prosperity and equitable power distribution (Chapters 1 and 3). For example, Denmark's approach to implementing a carbon tax on agriculture exemplifies how democratic processes can lead to pragmatic, cooperative solutions that align with SDG #1: "Partnerships for the Goals."

Leadership in the Nordics involves a high degree of consensus-seeking and power delegation. This leadership style is crucial for addressing the SDGs as it fosters a culture where every employee's voice matters, enhancing cooperation within organizations (Chapter 5). Leadership is understood as a dynamic process involving all, rather than a static position held by a few.

At the company level, the 'Nordic cooperative advantage' is evident where businesses create value through ongoing stakeholder cooperation, significantly impacting sustainability outcomes. These firms stand out in global sustainability rankings, showcasing the effectiveness of their cooperative approaches in addressing complex global challenges like those posed by the SDGs (Chapter 6).

[50] Giorgos Kallis, Jason Hickel, Daniel W. O'Neill et al., "Post-Growth."

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Nordic capitalism balances competition with cooperation, harnessing the benefits of competition to drive efficiencies and innovation where advantageous, while preventing competition from undermining social welfare.

Moving away from competitive narratives that glorify extractive behaviors towards cooperative strategies like those seen in the Nordic model can guide the US and other nations towards more sustainable and equitable systems. This transformation is necessary to effectively tackle collective challenges reflected by the SDGs – complex problems that require broad collaborative efforts.

Lesson 9: Democratic Capitalism Must Supplant Oligarchic Capitalism

Democracy is weakening in the US. The 2020 Global Democracy Index characterizes the US as a "flawed democracy."[51] Oligarchic capitalism, as it is now experienced in the US, creates conditions that erode democratic principles as economic power concentrates in the hands of a small elite with outsized influence over political, legal, and cultural systems. This concentration of wealth distorts democratic processes, enabling a narrow segment of society to shape public policy, control media narratives, and fund political campaigns to advance their interests. Public accountability weakens, pluralism declines, and power becomes increasingly insulated from democratic scrutiny and oversight.

Conspicuous efforts to consolidate power through gerrymandering and voter suppression have become increasingly routine. Even more sinister, election positions at the state, county, and township levels are being weaponized with systemic "efforts to inject partisanship into under-the-radar election jobs." At the same time, election administration at the state, county, and township levels is being politicized through coordinated attempts to inject partisanship into roles that were once largely nonpartisan.[52] In *How Democracies Die*, Levitsky and Ziblatt warn, "American democracy is not as exceptional as we

[51] "Global Democracy Has a Very Bad Year," *The Economist*, February 2, 2021, accessed May 25, 2025, www.economist.com/graphic-detail/2021/02/02/global-democracy-has-a-very-bad-year.

[52] Sam Levine, "'Unlike Anything We've Seen': The Unprecedented Risks Facing US Democracy," *The Guardian*, December 16, 2021.

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sometimes believe. There's nothing in our Constitution or our culture to immunize against democratic breakdown."[53]

Oligarchic Capitalism Is Corroding American Democracy

As Robert Reich emphatically warns, "Today the great divide is not between left and right. It's between democracy and oligarchy."[54] Since the 1980s, as Wolfgang Streeck observes, the rise of neoliberal market forces has broken the postwar compromise between democracy and capitalism. His conclusion: "It is not the crisis of capitalism that challenges democracy but its neoliberal triumph."[55]

The weakening of US democracy through this neoliberal triumph reflects how American capitalism, in its current form, increasingly concentrates power in the hands of a few – undermining democratic accountability. (Chapters 3 and 4). "Oligarchy works as a patronage system that dissolves democracy, law, and patriotism. American and Russian oligarchs have far more in common with one another than they do with their own populations," wrote Timothy Snyder in *The Road to Unfreedom*, citing Charles Koch as an exemplar of the American oligarchy.[56]

The rise of powerful business leaders who downplay empathy and collective responsibility raises important concerns for the future of democratic capitalism. Elon Musk – appointed head of Donald Trump's Department of Government Efficiency in 2025 – publicly described empathy as a "bug" in Western civilization that is "exploited."[57] This framing reflects a broader trend among some influential American capitalists to portray human connection and civic responsibility as liabilities rather than strengths.

Defunding public institutions has long been a feature of the neoliberal playbook and has contributed to entrenching oligarchic capitalism in the US. Billionaires such as Koch and Menard have

[53] Levitsky and Ziblatt, *How Democracies Die*, 204.
[54] Reich, *The System*, 13.
[55] Wolfgang Streeck, "The Crises of Democratic Capitalism," *New Left Review* 71 (2011): 5–29.
[56] Timothy Snyder, *The Road to Unfreedom: Russia, Europe, America* (New York: Tim Duggan Books, 2018), 263–264.
[57] Zachary B. Wolf, "Elon Musk Wants to Save Western Civilization from Empathy," CNN, March 5, 2025, April 1, 2025, https://shorturl.at/CufJz.

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systematized strategic philanthropy at public universities, using their donations to advance a thinly veiled neoliberal agenda under the guise of academic support (Chapter 7). This tactic – evading taxes while channeling wealth to reshape public institutions in their image – has weakened democratic accountability and tilted power further toward private interests. As public universities and other civic institutions are starved of public funding, they become increasingly dependent on private donors, leaving them vulnerable to ideological capture.[58]

While American capitalism is increasingly described as oligarchic – marked by the concentration of wealth and influence in the hands of a few – it is also beginning to exhibit signs of kleptocracy: A distinct form of oligarchy in which public institutions are systematically manipulated to serve private interests, and corruption becomes embedded to benefit a privileged segment of the elite. This reflects a crisis of governance and a structural failure that erodes public trust and inflicts lasting damage on democratic institutions.[59]

In stark contrast, Nordic societies routinely top the global indices measuring effective democracies, and their continued investments in public institutions are a significant reason. These investments serve as the efficient hand pumps of society that increase an individual's freedom. They also thwart the potential for an oligarch with an agenda to take over a public institution and undermine democratic accountability (Chapter 7).

Capitalism Needs Democracy to Function Effectively

Markets require sufficiently dispersed power to function effectively. The concentration of power in the hands of a few oligarchs and their corporations represents a fundamental paradox of oligarchic capitalism: in its drive for deregulation and concentrated power, it

[58] Jaime Lowe, "With 'Stealth Politics,' Billionaires Make Sure Their Money Talks," *New York Times*, April 6, 2022.

[59] Anne Applebaum, "Kleptocracy, Inc.," *The Atlantic*, April 14, 2025, accessed May 1, 2025, https://shorturl.at/t4I2d; Jodi Vittori, "Is America a Kleptocracy? Here's How Life Could Change for the Rich, Poor, and Everyone in Between," *Foreign Policy*, March 25, 2025, accessed May 1, 2025, https://foreignpolicy.com/2025/03/25/america-kleptocracy-trump-musk-corruption/.

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undermines the very market conditions necessary for capitalism to function (Chapter 3).

The persistent American assumption that unfettered markets automatically maximize freedom obscures the role that democratic processes of negotiation and consensus-building play in realizing freedom for the many people. As Arthur Okun wrote:

> A democratic capitalist society will keep searching for better ways of drawing boundary lines between the domain of rights and the domain of dollars. And it can make progress. To be sure, it will never solve the problem … [as] capitalism and democracy are really a most improbable mixture. Maybe that is why they need each other – to put some rationality into equality and some humanity into efficiency.[60]

The mounting failures of American capitalism in its current form – its inability to address sustainability challenges, maintain functional markets, or preserve democratic institutions – signal conditions ripe for a paradigm shift, as Kuhn would describe.

Democratic Capitalism Is Essential for Realizing Sustainable Capitalism

Realizing sustainable capitalism requires getting markets to drive sustainability outcomes through internalizing negative externalities into prices. The Nordic nations show how democratic processes make this possible: Finland pioneered the world's first carbon tax in 1990, followed soon by the other Nordic nations. Today, they maintain among the world's highest carbon taxes, which creates the market incentive for companies to reduce emissions through efficiency gains and innovation.

The policies establishing carbon taxes in the Nordics emerged through democratic processes. Nordic political leaders, in cooperation with Nordic business leaders and other stakeholders across Nordic societies, supported policy mechanisms to internalize environmental costs. In contrast, in the US, political leaders and business leaders have commonly blocked efforts to internalize the costs of carbon emissions in prices. These blocking efforts persist despite widespread public support for companies to internalize the price of carbon, suggesting

[60] Okun, *Equality and Efficiency*, 120.

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democratic processes are not functioning as they should in the US. Major carbon-emitting US corporations – which would face billions in liabilities under Nordic-level carbon prices – leverage their political influence to prevent the internalization of greenhouse gas emissions costs (Chapter 3).

The matter of carbon pricing reveals a fatal flaw in neoliberal ideology that frames government intervention as inherently anti-capitalist: properly functioning markets require a democratically accountable state to correctly price goods and services by internalizing negative externalities. Without the "visible hand" of a democratically accountable government, the "invisible hand" of the market cannot realize efficient outcomes. Therefore, a democratically accountable state is essential for implementing the policy interventions needed to realize sustainable capitalism. Without such interventions, companies will continue operating beyond planetary boundaries, depleting the principal of Earth's endowment rather than living sustainably off its interest, directly violating sustainable development by compromising future generations' ability to meet their needs.

This transformation demands a fundamental shift in how we define the purpose of the firm (Chapter 6). In oligarchic capitalism, the firm's purpose is narrowly defined as maximizing profits for shareholders – the so-called Friedman doctrine that has dominated American capitalism since the 1980s. In democratic capitalism, as demonstrated by Nordic firms, the purpose expands to creating value for all stakeholders. Yet realizing sustainable capitalism requires an even more ambitious definition: creating value for stakeholders while operating within planetary boundaries. This evolution in corporate purpose reflects the broader transformation needed in how capitalism itself functions.

In *Democracy for a Sustainable World*, James Bacchus explores the deep connection between democracy and sustainable development. When democratic processes engage citizens at every level – from local initiatives to global governance – they build the institutional capacity needed to confront climate change, ecological collapse, and other pressing sustainability challenges.[61] The Nordic experience illuminates this dynamic: democratic institutions create pathways for

[61] James Bacchus, *Democracy for a Sustainable World: The Path from the Pnyx* (Cambridge: Cambridge University Press, 2025).

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bold sustainability policies that would likely falter under oligarchic capitalism, where concentrated wealth and power often block essential market reforms.

Lesson 10: Embrace the Me-We-Me Mindset – Expanding Individual Freedoms through Efficient Universal Systems

The Me-We-Me mindset represents a fundamental paradigm shift essential for realizing sustainable capitalism. The Me-We-Me mindset embraces the view that individual and societal prosperity are mutually reinforcing forces.

As demonstrated throughout this book, the Me-We-Me mindset manifests across multiple levels of society: in individual leadership through cooperative consensus-building rather than dominance, in company operations through stakeholder engagement and the "Nordic cooperative advantage," and at the societal level through universal systems that expand individual freedoms through collective investment. These manifestations, explored in earlier chapters, reveal how the Me-We-Me mindset shapes Nordic leadership, business, and social policy approaches.

While also rooted in a reverence for individualism, the Me-We-Me mindset starkly contrasts the Me-Me-Me mindset of modern American capitalism, where selfishness has become dangerously conflated with freedom. This conflation represents perhaps the greatest threat to American democracy and capitalism, as individuals increasingly view taking responsibility for society's collective welfare as an attack on individual freedom. This mindset creates a destructive paradox: in pursuing absolute individual freedom by rejecting collective responsibility, people ultimately diminish their freedoms and those of future generations. A society that cannot act collectively to address shared challenges – from climate change to education to healthcare – cannot sustain the conditions necessary for individual liberty to flourish.

The Nordic experience demonstrates how the Me-We-Me mindset can be cultivated through institutional structures and cultural norms. Universal access to education emphasizing critical thinking and civic responsibility creates citizens capable of seeing beyond narrow self-interest. Democratic processes give stakeholders real voice in decisions and foster trust in collective action. Business leadership focused on

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long-term stewardship rather than short-term extraction demonstrates how individual and collective prosperity can align. Perhaps most importantly, social systems that expand individual freedoms through collective investment provide concrete evidence that the Me-We-Me approach works.

Children and future generations stand at the heart of this mindset shift. The Nordic commitment to children's well-being reflects a profound understanding that individual freedom is enhanced, not diminished, by collective investment in the next generation. This offers a powerful starting point for building broader support for Me-We-Me approaches, as concern for children's welfare transcends political divides. When we invest in systems ensuring every child's ability to flourish – regardless of the circumstances of their birth – we create the foundation for a society where both individual and collective freedom can thrive. In such a society, the American Dream can become the reality for far more people.

The Me-We-Me mindset represents a paradigm shift away from extraction toward sustainability and stewardship, emphasizing the systems approach needed to address collective challenges. The Nordics demonstrate this mindset in action. A subset of US leaders have embraced a stewardship approach that reflects the Me-We-Me mindset. They have leveraged their platforms as business leaders, seeing themselves as lobbyists for society first, and their companies second.

This vision is not new. Over a century ago, Frederick Winslow Taylor – the father of scientific management – argued that the goal of management should be to secure "the maximum prosperity for the employer, coupled with the maximum prosperity for each employee" (Chapter 3). Around the same time, Swedish Prime Minister Per Albin Hansson, in his famous "People's Home" speech, laid the moral foundation for Nordic capitalism by insisting that workers must not be treated as "rented creatures," valued only as inputs (Chapter 4). While the US largely abandoned Taylor's balanced ideal in favor of shareholder primacy, the Nordics institutionalized a stakeholder vision, designing a society in which prosperity and dignity could be shared.

Adopting a Me-We-Me mindset constructively directs us toward higher-order considerations of building the good society. "We should measure the prosperity of the nation not by the number of

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millionaires, but by the absence of poverty; the prevalence of health; the efficiency of the public schools; and the number of people who can, do read worthwhile books," remarked W. E. B. DuBois.[62] DuBois was describing the good society, using terms little different than those of Denmark's Grundtvig and a society rooted in *Bildung*, as evidenced by the modern-day Nordics (Chapter 4).

DuBois was highly critical of capitalism and was sympathetic to socialist causes. For DuBois and other self-described socialists, capitalism did not deliver a good society. In a letter to Coretta Scott, Martin Luther King Jr. remarked,

> I imagine you already know that I am much more socialistic in my economic theory than capitalistic. And yet I am not so opposed to capitalism that I have failed to see its relative merits. It started out with a noble and high motive, viz, to block the trade monopolies of nobles, but like most human systems it fell victim to the very thing it was revolting against.[63]

King advocated for the US to adopt a variety of democratic socialism.

In the face of capitalism's critiques, "the Nordic model of capitalism achieves virtually everything that contemporary democratic socialists say we should want," as Lane Kenworthy describes in his 2022 book, *Would Democratic Socialism Be Better?*.[64] The fundamental critiques many socialists have about capitalism are more often critiques about American capitalism and the ills resulting from a hyper-individualistic Me-Me-Me mindset.[65] Insofar as US capitalists perceive the rise of self-described socialists as a threat to capitalism, embracing a Me-We-Me mindset and a more Nordic-style variety of capitalism represents an excellent opportunity to "save capitalism" in the US.

[62] Heather Gray, "Another Look at W.E.B. Du Bois," Institute of the Black World 21st Century, February 25, 2019, accessed March 1, 2022, https://ibw21.org/editors-choice/another-look-at-w-e-b-du-bois/.

[63] "Coretta Scott," Martin Luther King, Jr. Research and Education Institute, Stanford University, *c.* July 18, 1952, accessed May 25, 2025, https://kinginstitute.stanford.edu/king-papers/documents/coretta-scott.

[64] Lane Kenworthy, *Would Democratic Socialism Be Better?* (New York: Oxford University Press, 2022).

[65] Henderson, *Reimagining Capitalism*; Dominic Barton, Dezsö Horváth, and Matthias Kipping, eds., *Re-imagining Capitalism: Building a Responsible Long-Term Model* (New York: Oxford University Press, 2016).

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Parting Reflections

Mounting sustainability crises, growing inequalities, and the continued erosion of democratic institutions reveal the profound limitations of American capitalism. The consequences of our collective action – or inaction – will profoundly impact the well-being and freedom of future generations.

History shows that moments of crisis create opportunities to mobilize action. As Milton Friedman noted, "Only a crisis produces real change. When that crisis occurs, the actions that are taken depend on the ideas that are lying around."[66] Nearly a century ago, Childs' *Sweden: The Middle Way* sparked American interest in Nordic approaches following the Great Depression.

Today, Nordic capitalism can guide what will become the next version of American capitalism. The neoliberal ideas that were lying around because of Milton Friedman and his Mont Pelerin colleagues shaped the responses to the crises of the 1970s. Nordic capitalism offers lessons that can help inform the next version of American capitalism. While no nation has yet achieved full sustainability within planetary boundaries, the Nordics' strong democratic institutions and proven success in achieving progress in many of the SDGs position Nordic capitalism well to serve as a guiding North Star.

Nordic capitalism demonstrates how business success and societal prosperity reinforce each other. People cooperate through democratic processes to build efficient universal systems that expand positive freedoms for all members of Nordic societies – the freedom to access healthcare, education, and other essential services (Chapter 7) – all of which is generally supported by the Nordic business community. Through these efficient systems, individual and collective flourishing become mutually reinforcing. As *The Economist* succinctly assessed, "Nordics show that countries can balance a business-friendly environment with strong safety nets."[67]

The mounting failures of American capitalism's "Me-Me-Me" mindset – where selfishness has come to be dangerously mistaken for

[66] Friedman, *Capitalism and Freedom*, xiv.
[67] "To See What European Business Could Become, Look to the Nordics," *The Economist*, January 2, 2025, accessed May 25, 2025, https://shorturl.at/CArJx.

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freedom – reflect what Kuhn might recognize as conditions ripe for a paradigm shift. The "Me-We-Me" mindset at the heart of Nordic capitalism offers a compelling alternative: a paradigm in which individual and societal flourishing reinforce one another.

Evolutionary science also helps explain the need for a paradigm shift. Multilevel Selection theory illuminates how societies that balance individual competition with group cooperation create conditions that support both societal and individual prosperity. Nordic capitalism exemplifies this balance, resulting in societies achieving higher levels of collective well-being. Realizing such a balance requires structures and cultural norms that foster cooperation and consensus-building alongside healthy competition. The Triangle of Tensions (Chapter 2) depicts how negotiating between the efficiency, equality, and sustainability dimensions demands strong consensus-building skills. Nordic societies use democratic processes and stakeholder engagement to strike a balance.

In this light, democracy emerges as the essential mechanism through which free societies build consensus and coordinate cooperative actions for shared benefit. As challenges like climate change and healthcare access demonstrate, individual well-being increasingly depends upon efficient collective solutions – a practical reality that Nordic societies have long recognized. Capitalism and democracy work better together through a well-functioning, democratically accountable state. Okun wisely noted, "a democratic capitalist society will keep searching for better ways of drawing the boundary lines between the domain of rights [*democracy*] and the domain of dollars [*capitalism*]," and the task is never complete.[68]

A well-functioning, democratically accountable state is necessary for realizing sustainable capitalism to effectively coordinate the "visible hand" of the state and the "invisible hand" of the market.[69] These fundamental forces must work hand in hand in democratic capitalism, as Nordic capitalism demonstrates. However, the entrenched rhetoric of neoliberalism has created a self-fulfilling prophecy: As state capacity diminishes, it reinforces beliefs about

[68] Okun, *Equality and Efficiency*, 120, the bracketed terms are my additions to clarify Okun's meaning.

[69] Jeremy Moon and Jette Steen Knudsen, *The Visible Hand: Government Regulation and International Business Responsibility* (Cambridge: Cambridge University Press, 2017).

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government inefficiency, justifying further reductions in the state's role – a core tenet of the neoliberal ideology.[70] Nordic citizens, by contrast, have demanded and secured an efficient, democratically accountable state – strengthening both their democracy and capitalism.

The ideals and mythology of the US can be leveraged to make the American Dream a reality for more people, both current and future generations. The Land of the Free is a powerful narrative, and the transformation from Me-Me-Me to Me-We-Me embodies America's founding principle *E pluribus unum* – "Out of many, one" – where individual success and collective prosperity reinforce rather than oppose each other. American society need not invent new stories about itself; it must do the hard work to turn its existing stories into reality. Just as Grundtvig transformed Nordic mythologies into practical steps of self-improvement through folk schools and cooperative movements rooted in democratic ideals, so too must the US transform its powerful folklore into concrete actions that expand freedom and prosperity for all Americans.

Looking at the Nordics can be like holding up a mirror to American society, reflecting back truths that can be uncomfortable for many Americans to confront. An honest gaze into the mirror reveals an American society that falls short of its cherished myths and proclaimed ideals about freedom and democracy. Americans face a choice: they can examine their reflection and commit to improving the imperfections they see, or stare down at the ground in denial, insisting that the US is uniquely free and that to suggest otherwise is unpatriotic.

Learning from Nordic capitalism requires courage to move beyond complacency and denial and to look up with curiosity and hope. Nordic capitalism shows that an alternative to the American version of capitalism rooted in neoliberalism exists and by most measures performs better. Grounded in democratic principles and practices, Nordic capitalism serves as a guiding light in a time of disorientation and division. It is time to move past the Cold War era claim that Nordic societies are "socialist" and recognize that their comparatively strong

[70] Reagan, "Inaugural Address, 1981." Reagan declared, "Government is not the solution to our problem; government is the problem."

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performances are the outcome of a well functioning form of democratic capitalism.

Like the North Star, Polaris, Nordic capitalism offers direction rather than a fixed prescription. Polaris wobbles in the night sky, a reminder that even the best benchmarks are imperfect, yet it still offers valuable guidance. Nordic capitalism provides guidance and a solid foundation from which to realize sustainable capitalism, if we choose to look up.

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