This printable version of the diagram is a great teaching tool for communities and advocates to understand the theory that can cause change and achieve democratic economies.

The successful transition to A New Paradigm will depend upon many stakeholders transforming society in different ways. Civil society organizations, governments, businesses, investors, and others can all shape the building blocks of a democratic economy. Below, across the five pillars of A New Paradigm, we envision different ways that these change agents can contribute.
A THEORY OF CHANGE FOR ACHIEVING DEMOCRATIC ECONOMIES

1) Print out the 14 pages on letter-sized paper.
2) Arrange the pages of the diagram in order vertically.
3) Arrange the text pages vertically in order of their page numbers. These pages should be arranged to the right of the diagram.
A THEORY OF
INPUTS
OF CHANGE FOR ACHI...
ACTIVITIES → OUT
EVING DEMOCRATIC

OUTCOMES
ECONOMIES

IMPACT: DEMOCRATIC ECONOMIES
A THEORY OF CHANGE FOR ACHIEVING DEMOCRATIC ECONOMIES

INPUTS
• Commitment
• Coordination
• Creativity
• Curiosity
• Economic resources
• Human resources
• Interest
• Participation
• Purpose

ACTIVITIES
• Building community
• Educating
• Engagement and advocacy
• Experimenting with new models
• Learning
• Research
• Social entrepreneurship
• Socially responsible investing
• Strategic litigation

OUTPUTS
What are you doing to help society democratize the economy? Tell us about the contribution of your business, network, organization, university, etc.?
@ProjectPoder, #NewParadigm
• Communities of practice
• Community-based economies
• Innovative business models
• Multi-stakeholder partnerships
• New knowledge about democratic economies
• New rules of the game
• Strong institutions for corporate accountability and transparency
• Triple bottom-line investment
• Updated pedagogical approaches

OUTCOMES

CIVIL SOCIETY AS ACCOUNTABILITY GUARANTOR
- Civil society actors are organized around an objective of guaranteeing corporate accountability and transparency;
- Civil society actors are strong, numerous, informed;
- Civil society actors think creatively and strategically, effectively using existing mechanisms and possibly creating new mechanisms for ensuring corporate accountability and transparency.

STRENGTHENED DEMOCRACY AND RULE OF LAW
- Civil society actors have official status to function as watchdogs against state capture by the private sector;
- There is transparency about the overlap between the public and private sectors, including how businesses and investors affect public decision-making;
- Business transparency is mandated and enforced by law, and governments compel disclosure of companies’ social and environmental liabilities;
- Laws require businesses to respect human rights and adhere to standards of corporate accountability;
- Enforcement mechanisms provide strong incentives for compliance with corporate accountability standards.

RESPONSIBLE FINANCIAL INDUSTRY
- Regulation curbs socially harmful speculation and enforces better risk management;
- Investors adopt and adhere to the highest standards of transparency with regards to their investment activities;
- Investors abide by the highest due diligence standards and commit to protecting and respecting human rights, and remedying human rights violations for which they are responsible.

SUSTAINABLE BUSINESS
- Business reporting in the public interest is standardized, accessible, comprehensive and regular;
- Businesses protect and respect human rights, and remedy human rights violations for which they are responsible;
- Corporate Social Responsibility entails obligatory commitments to norms of transparency and accountability;
- Businesses champion inclusiveness and adhere to the norm of environmental, social and financial value.

CORPORATE GOVERNANCE IN THE STAKEHOLDER ERA:
- The shareholder primacy norm transforms into a stakeholder governance norm;
- Affected stakeholders exercise their fair share of responsibility over decisions related to environmental, social, and governance factors.

IMPACT: DEMOCRATIC ECONOMIES
CIVIL SOCIETY AS ACCOUNTABILITY GUARANTOR:
Citizens hold businesses accountable to higher standards for human rights, labor and environmental compliance;

STRENGTHENED DEMOCRACY AND RULE OF LAW:
Businesses answer to the state and to citizens, and the state answers to citizens; The outer limits of free markets are respect for human rights and protection of the environment.

SUSTAINABLE FINANCIAL INDUSTRY:
Improved regulatory framework, greater transparency and more responsibility in the financial sector serve the public interest.

RESPONSIBLE BUSINESS:
Improved business transparency and accountability serves the public interest.

CORPORATE GOVERNANCE IN THE STAKEHOLDER ERA:
Companies are governed by stakeholders, not stockholders.