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Take the Money and Run: The Business Enterprise in the Age of Money Manager Capitalism

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Abstract

Most heterodox theories of the business enterprise base themselves on the Veblenian going concern in which managers pursue the long-run survival and growth of the enterprise, whereas absentee owners are occupied with short-run financial interests. Since Veblen's era, the capitalist social provisioning process has evolved toward money manager capitalism in a dialectical fashion. At the heart of the transformation are changes in the business enterprise. In this paper, we make a threefold argument. First, while the Veblenian account of a going concern still holds true for many enterprises, more and more of the economy is being directed toward financial concerns. Second, as a consequence, the social provisioning process becomes more unstable and people's welfare becomes more vulnerable. Third, the concept of a going concern is therefore to be modified in order to put the business enterprise in the context of money manager capitalism.

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