

A LETTER TO OWNERS AND CEOS OF PRIVATELY HELD BUSINESSES

An Invitation to Lead the *Transformation* of Our Economy

There are moments in history when business leadership must stop being about continuous improvement and start being about redesign and transformation. For a growing number of us, there is a quiet but persistent realization that the current economic system, while successful in many ways, is simply not working for everyone.

Too many people, especially those earning under \$30 per hour, are living with chronic financial stress and relying on government benefits just to get by. And now, with AI and automation rapidly accelerating and a mounting climate crisis, the urgency of this challenge is growing. Millions of jobs are being reshaped—or may disappear entirely. The system we've relied on for the past 40 years may no longer be equipped to meet these challenges.

We are in the middle of an epic disruption. Instead of continuing to react to these changes—technological, environmental, political—we can intentionally redesign the economy to work better for everyone. In so doing, we can change the dominant narrative which currently centers on maximizing shareholder value and cutting taxes, expecting that the benefits will trickle down. The reality is that the data tells a different story: widening income disparities, financial stress for the majority, and an environment in distress.

The responsibility, and the opportunity, to lead this transformation lies with business leaders. Not with those constrained by quarterly earnings pressure, but with a different group: the owners and CEOs of privately held businesses. These are leaders who know their people and communities, who act with purpose, and who invest in long-term outcomes. Interestingly, 80% of all new jobs are created by privately owned businesses. That's no coincidence. This group represents a powerful engine for change.

This isn't about blame. Our current economic condition is the result of forces: global population growth, waves of innovation, shifting geopolitical dynamics, that have outpaced the frameworks we built in a different era. But history shows that capitalism can evolve. It has before, and it must again.

The question isn't whether change is needed. It's whether we, as business leaders, will step forward to help lead it.

Transformation of this scale doesn't begin with a grand plan. It begins with experiments, lots of them. We must be willing to try new things, to share what works, and to build on each other's successes. The theory of change is rooted in a simple but powerful principle: positive results inspire more experimentation, which in turn attracts more participation, creating a virtuous cycle of learning and impact.

internality

THE ORGANIZATION

To support and accelerate this work, a new organization has been formed called Internality. It's a play on the word "externality", the economic term for costs that are pushed outside a company's balance sheet. For decades, we've talked about how society might best go about internalizing these costs, especially environmental and social ones. But the truth is, we've made very little progress. It's time for a new approach.

Internality is not about imposing solutions. It's about unlocking the creativity and leadership already present in the private business community. Starting with a small, intentional group of business owners and CEOs, we aim to catalyze hundreds, eventually thousands, of such experiments. Internality will help all of us learn, together; what's working and what isn't. With the help of rigorous academic partners, we'll validate and scale what works and simulate what widespread adoption could mean for our economy, our communities, and our planet.

Internality is based on the belief that leadership starts with curiosity and courage. More than 100 organizations have been identified that are working on important aspects of this challenge. Many of them are brilliant. But few have reached the scale needed to shift the dominant model. That's why we're focusing on a specific group of leaders, those who have both the freedom and the foresight to act now.

The question is: What will your company—and the economy writ large—stand for in 20 years?

THE STRATEGY

Internality's strategy is grounded in three core initiatives:

01 Pivot Labs

Pivot Labs are real-world incubators where business leaders co-create and test new approaches to specific social and environmental challenges. These might include designing local economies that don't rely on public assistance or creating new paths to career mobility. The emphasis is on selecting the right problems to solve, and on learning by doing.

02 Internality OS

Internality OS is an open-source platform where participating leaders, academics, and communities can share data, model potential outcomes, and simulate "what-if" scenarios. The platform enables rapid learning and broader adoption by turning experiments into replicable strategies to scale. It's how we'll translate individual insights into systemic change.

03 Community Building

We believe there are hundreds, if not thousands, of private business leaders and owners out there who share the concerns and the vision articulated here. Internality is all about connecting these business leaders together, building mutually reinforcing relationships to accelerate the learning needed to co-create the next economy—one that works for everyone and the planet.

THE MOMENT

In summary, the disruptions we face today are not just crises. They are catalysts.

They create space for bold leadership and collective innovation. This is our moment.

We are in the process of gathering a small group of committed leaders to help take us to the next phase of development of this concept. If this vision resonates, if you’re a business leader who sees the potential for something better, we invite you to an initial conversation—no commitment—simply to explore whether this work aligns with your leadership journey.

Years from now, people will ask who stepped forward when the economy needed redesign—not more regulation of the current system, but a new set of rules for the game itself.

SUMMARY

Principles Driving the Work of Internality

Historic Disruption:	We are living through profound technological, economic, political, and social shifts. These disruptions make transformation not just necessary but indeed possible.
Privately Held Businesses Can Be the Catalyst for the New Economy:	Unconstrained by quarterly demands, these businesses are uniquely positioned to lead, and we believe their collective action can build the influence needed to shape the new economy.
Framing the Right Questions is Better than Offering Answers:	We believe that inquiry and experimentation driven by the right questions is essential to avoid leaping to premature answers and solutions.
Cycles of Transformation:	Strategies and results emerge through virtuous cycles of local experimentation and rigorous evaluation, then to institutional redesign, and eventually to policy reform.
Critical Mass Creates Momentum:	By connecting, co-creating, and amplifying what works, we can catalyze the next economy: one that works for people, business, and the planet.

THE INVITATION

Let’s design an economy that works *for everyone*...and the planet.

Please contact us at internality.org to make this happen.