



Mia de Kuijper has a track record of spotting important economic and business developments well before they show up on anyone else's radar. Royal Dutch Shell, PepsiCo, Credit Suisse First Boston, Morgan Stanley, and Bain & Co. are among those to have benefited from her prescience. Currently, de Kuijper is the CEO of the strategy advisory firm de Kuijper Global Partners, and a Dean of the Duisenberg School of Finance, Amsterdam. She lives in New York City.

Jacket design: Mike Fender Design
Cover icon design: Janet M. Coleman
Author photo: © Julie Skarratt 2009

OXFORD
UNIVERSITY PRESS
www.oup.com

"Full of path-breaking economics and practical implications for MAKING MORE PROFIT, this fresh approach to building exceptionally successful companies will be useful to business leaders, investors, and strategists."

—**Jim Lawrence**, Chief Financial Officer, Unilever

"*Profit Power Economics* will create a stir in strategy thinking. All serious students of strategy should read this. Mia de Kuijper's rich examples offer powerful testimony to these fascinating big new ideas."

—**Glenn Hubbard**, Dean and Russell L. Carson Professor of Finance and Economics, Columbia Business School

"De Kuijper's intriguing and thought-provoking book will hearten all those in business who seek to build good companies that last and market effectively. Its wonderful message is that profit power can be obtained honorably."

—**Esther Dyson**, Entrepreneur and Thought Leader

"*Profit Power Economics* drives to the core of the key strategic challenges that confront business in a rapidly mutating global economy."

—**Charles V. A. Collyns**, Deputy Director, Research Department, International Monetary Fund

"Mia de Kuijper offers, in crisp, clear language, a new way of organizing one's thinking about business structures and strategies in the world of modern technology, together with the hands-on lessons she's learned in her own highly successful business career. Strategists and operating executives in the corporate world will find it very interesting."

—**Benjamin M. Friedman**, William Joseph Maier Professor of Political Economy, Harvard University, author of *The Moral Consequences of Economic Growth*

"Mia de Kuijper presents compelling ideas about the role of today's more complete, immediate, and very cheap information . . . and how it still does not lead to perfect markets. Her discussion of what makes companies successful in the long run is sure to cause controversy."

—**Arie de Geus**, Former Corporate Planning Director, Royal Dutch Shell, author of *The Living Company*

"What I liked most is the treatment of cheap information's effect on the prospects for profit-yielding proprietary assets. The analysis of the effect of transparency on competition and industrial structure is very well developed."

—**Richard E. Caves**, Nathaniel Ropes Professor of Political Economy, Emeritus, Harvard University, author of *Creative Industries*

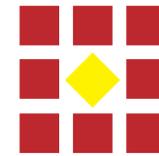
ISBN 978-0-19-517163-1



US \$34.95

DE KUIJPER PROFIT POWER ECONOMICS OXFORD

PROFIT POWER ECONOMICS



A New Competitive Strategy for Creating Sustainable Wealth

"There is no better guide to strategy and economic power in the treacherous terrain of the contemporary economy than this intellectually courageous book."

—**Thomas C. Schelling**, 2005 Nobel Laureate in Economics

MIA DE KUIJPER

IN THIS GROUNDBREAKING BOOK, seasoned executive and Harvard-trained economist Mia de Kuijper guides readers through the fundamentals of a newly emerging economy and explains how companies and individuals can create sustainable wealth by using this new environment to their advantage. The key is wielding one of the twelve contemporary sources of profit power. Control just one and you are on the road to high returns.

Turning profit power into sustainable wealth requires new strategies, which de Kuijper presents in the form of four rules for maximizing profits:

1. focus on power nodes for choosing and valuing investments,
2. structure and manage global enterprises with new business models and power relationships,
3. fight fiercely against three-dimensional competitive threats, and
4. navigate today's shifting market dynamics and influence choice by using insights about powerlaw network dynamics and distributions with "fat tails."

Included in this book are all the tools and templates necessary for implementing the new strategies to create sustainable long-term value.

To derive this book's unique framework, de Kuijper has rethought aspects of economic theory in light of the vanishing cost of information and connectivity, which is proving to be the most transformative force in what she terms the new "Transparent Economy." Based on years of original research and illustrated with lively lessons from the experience of the author and other successful investors and leaders, *Profit Power Economics* draws a detailed picture of the new competitive arena and gives readers a valuable, step-by-step approach to build, or find, exceptionally high-return enterprises and secure sustainable wealth.