# Question

What do you associate with the notion "limits to growth"?

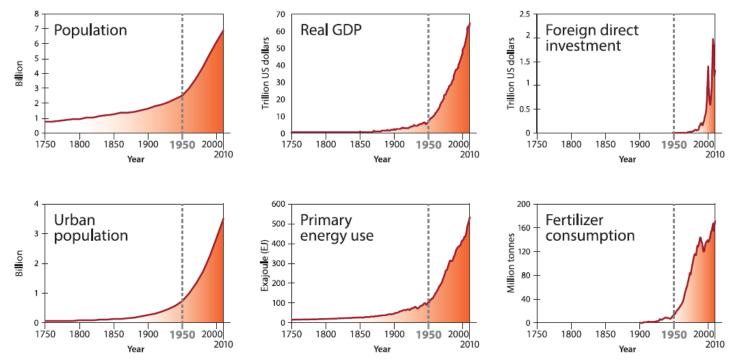


# **Trinity Business School**

# 2. Foundations of Ethics in Business

2.2 Sustainable Development

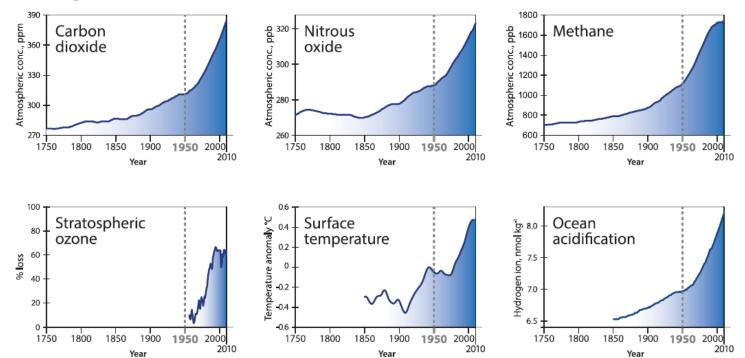
# The great acceleration I



Source: Steffen et al. (2015): The trajectory of the Anthropocene: The Great Acceleration.



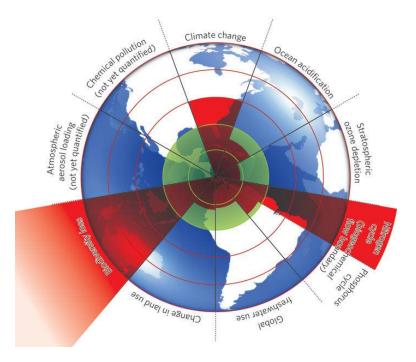
# The great acceleration II

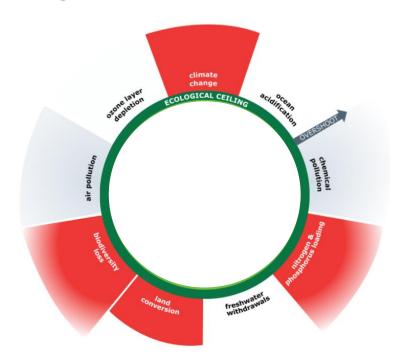


Source: Steffen et al. (2015): The trajectory of the Anthropocene: The Great Acceleration.



# The Global Sustainability Challenge: "Doughnut Economics"





Source: Rockström, J. et al. (2009): A safe operating space for humanity.

Source: https://www.kateraworth.com/doughnut/



#### **Earth overshoot I**

# 29. July 2021

Source: Global Footprint Network (2021).



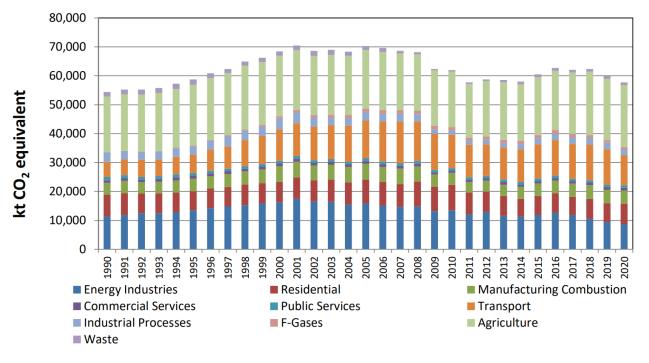
## **Earth overshoot II**

All of this is actually not new...





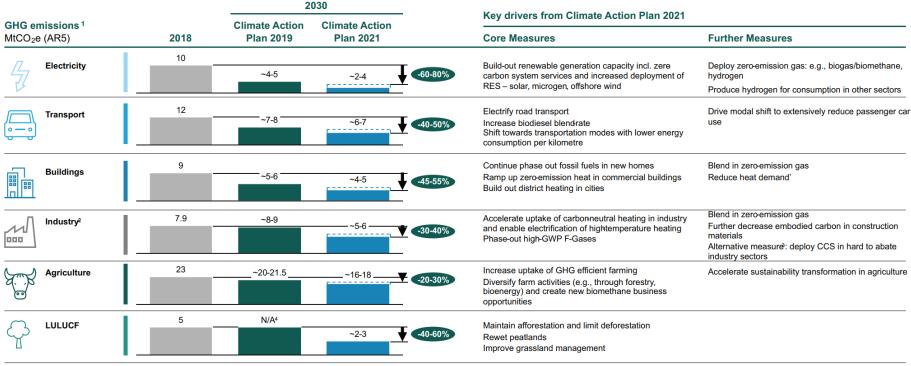
#### **Irish CO2 Emissions**



Source: Irish Climate Action Plan 2021, p. 20.



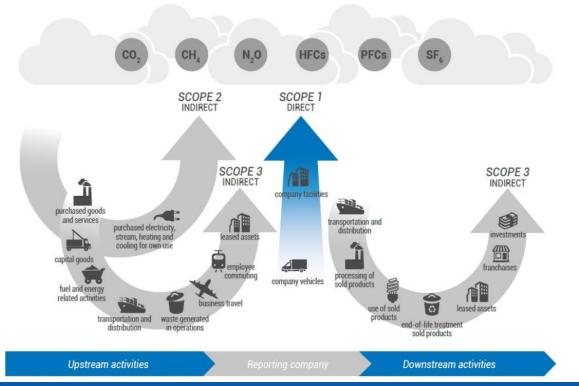
#### The Irish Climate Action Plan 2021



Source: Irish Climate Action Plan 2021, p. 28.



# The basics of carbon accounting



Source: UNGC.



## **Definition**

#### **Definition by the Brundtland Commission:**

"Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs". (WCED 1987)

#### **Core elements:**

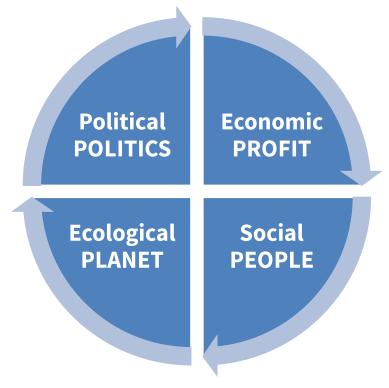
Intra- and intergenerational justice

**Global orientation** 

Anthropocentric approach



# **Sustainability: A multidimensional concept**









































# Importance of thinking on multiple levels

#### Supra-level ethics

Global institutions, which regulate individual and corporate behavior (global governance), and establishing international behavioral norms take center stage

#### Macro-level ethics

(Economic) systems influencing individual and corporate behavior

#### Micro-level ethics

focus on: individual behavior

- Consumption ethics, lifestyle
- Ethical investment
- Integrity and corruptibility
- Leadership ethics
- Economic subject and human portrait
- · ..

#### Meso-level ethics

focus on: corporate behavior

- Corruption, compliance und corporate
- governance
- Corporate Social Responsibility
- Stakeholders
- Ethics and sustainability management
- Sustainability reporting ...

Ethical questions of the economic system (freedom, justice, distribution, etc.): monetary policy, framework of regulations, role of the state, functions of civil society, ...

Institutions, multi-stakeholder initiatives, networks: ILO, UN Global Compact, OECD Guidelines, Global Reporting Initiative, ...







REDUCING ENVIRONMENTAL IMPACT BY

# DON'T BUY THIS JACKET







# The case of quijotekaffee - Overview

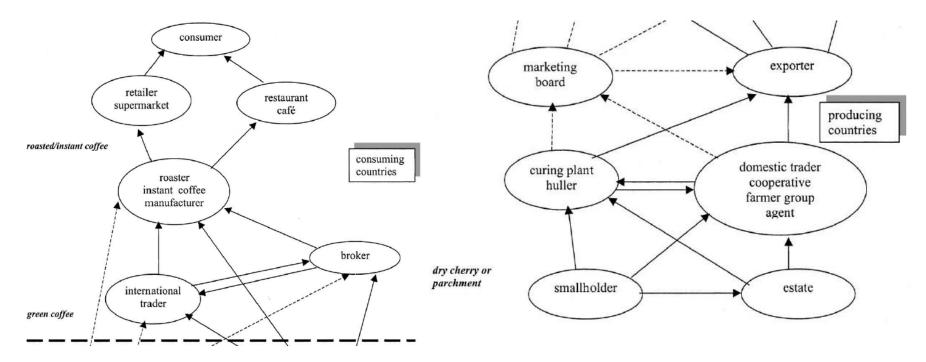
- Coffee roaster specialized on high quality organic roasts
- Direct relations to coffee farmers (cooperatives)



- Transparency about sourcing, calculation and roasting process
- Guaranteed minimum price for coffee farmers (double amount of fair trade price)
- Democratic internal decision-making (unanimity as decision rule of assembly for core business decisions)
- Absolute limits on sales:
  - Max. payout of average wage of Hamburg for all members
  - Annual cap on tonnes of roasted coffee
  - No pay-out of profits, need to be reinvested in the company



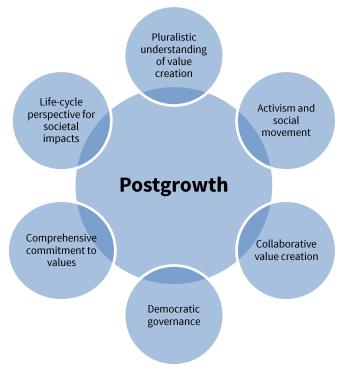
## The conventional coffee value chain



Source: Ponte (2002): The 'Latte Revolution'? Regulation, Markets and Consumption in the Global Coffee Chain, p. 1102.



# **Characteristics of the De-/Postgrowth Paradigm**



- Pluralistic understanding of value creation: value creation beyond priority of financial dimension
- Activism and social movement: inspirational attitude, outreach, focus on solving relevant societal problems
- Collaborative value creation: openness, transparency and trust
- Democratic governance: participative management structure with strong focus on equality and autonomy
- Comprehensive commitment to values: Authentic, valuesdriven approach in both business and private life
- Life-cycle perspective for societal impacts: aiming for minimizing negative societal impacts of business activities

Source: Own depiction, based on Khmara & Kronenberg (2018): Degrowth in business: An oxymoron or a viable business model for sustainability?.

