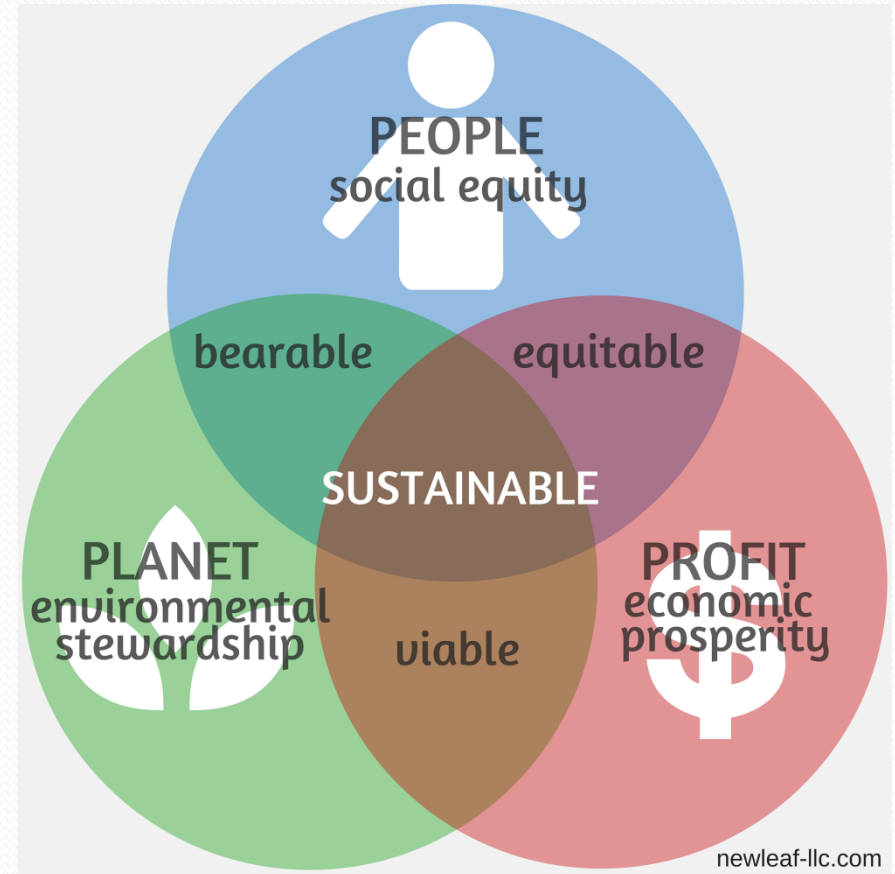


Sustainability and Business

Triple Bottom Line (TBL)

- John Elkinton 1994, Co-founder of SustainAbility
 - People
 - Profit
 - Planet
- <http://www.sustainability.com>
- See Slaper and Hall (2011), 'The Triple Bottom Line: What Is It and How Does It Work?' *Indiana Business Review* (<http://www.ibrc.indiana.edu/ibr/2011/spring/article2.html>)

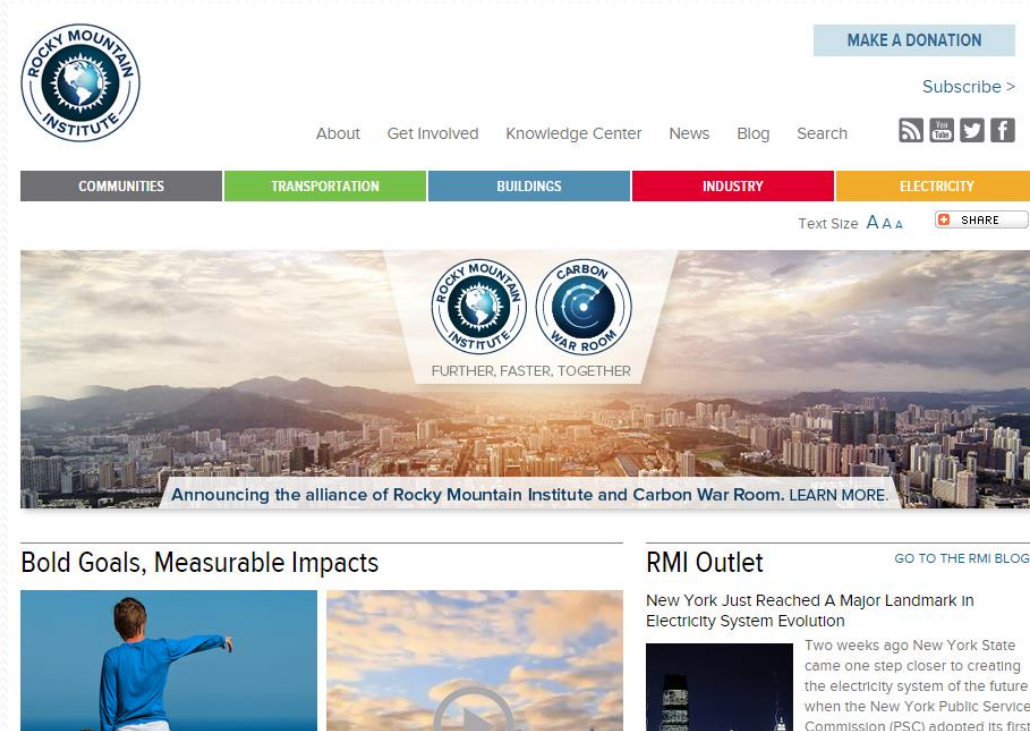


Natural Capitalism (Lovins et al 1999)

Natural and human capitals have to be included in the balance sheet. . .

- i) increasing resource productivity
- ii) redesigning industry on biological models (**biomimicry**)
- iii) shifting from the sale of goods to the provision of services
- iv) reinvesting in the natural capital

See **Rocky Mountain Institute**
<http://www.rmi.org/Home>



The screenshot shows the homepage of the Rocky Mountain Institute (RMI). At the top left is the RMI logo, a circular emblem with a mountain and sun. To its right is a navigation bar with links: About, Get Involved, Knowledge Center, News, Blog, and Search. Further right is a 'MAKE A DONATION' button and a 'Subscribe >' link with social media icons for RSS, YouTube, Twitter, and Facebook. Below the navigation bar is a horizontal menu with five categories: COMMUNITIES, TRANSPORTATION (highlighted in green), BUILDINGS, INDUSTRY (highlighted in red), and ELECTRICITY (highlighted in orange). Below this menu is a large banner image of a cityscape at sunset. Overlaid on the banner are the logos for the Rocky Mountain Institute and the Carbon War Room, with the tagline 'FURTHER, FASTER, TOGETHER'. Below the banner is a text box that reads 'Announcing the alliance of Rocky Mountain Institute and Carbon War Room. LEARN MORE.' Below the banner is a section titled 'Bold Goals, Measurable Impacts' with two images: a person in a blue shirt pointing towards a horizon and a close-up of a play button icon. To the right of this section is a section titled 'RMI Outlet' with a link 'GO TO THE RMI BLOG'. Below this is a headline 'New York Just Reached A Major Landmark in Electricity System Evolution' and a sub-headline 'Two weeks ago New York State came one step closer to creating the electricity system of the future when the New York Public Service Commission (PSC) adopted its first...'. Below the headline is a small image of a power plant.

Biomimicry

- “Conscious emulation of life’s genius to solve human problems” (Janine Benyus 1997)
- Use waste as a resource
- Diversify and cooperate to fully use the habitat – symbiosis and specialization
- Gather and use energy efficiently
- Optimize rather than maximize
- Use materials sparingly
- Don’t foul the nests
- Don’t draw down the resources – invest in natural capital
- Remain in balance with the biosphere
- Shop locally

<http://biomimicry.org/>

Green Economy

- UNEP 2011 (See [video](#))
 - “One that results in improved human well-being and social equity, while significantly reducing environmental risks and ecological sacrifices”
- An economy or economic development model based on sustainable development and a knowledge of ecological economics.
 - Based on direct valuation of natural capital and nature’s services as having economic value
 - TEEB (The Economics of Ecosystems Biodiversity, <http://www.teebweb.org>)
 - The Bank of Natural Capital (<http://bankofnaturalcapital.com>)
 - **Corporate 2020** (<http://www.corp2020.com/>)

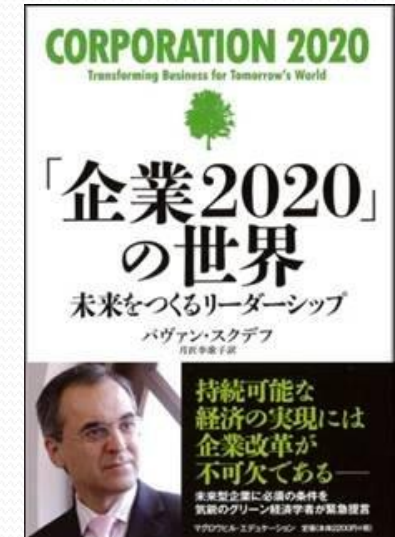
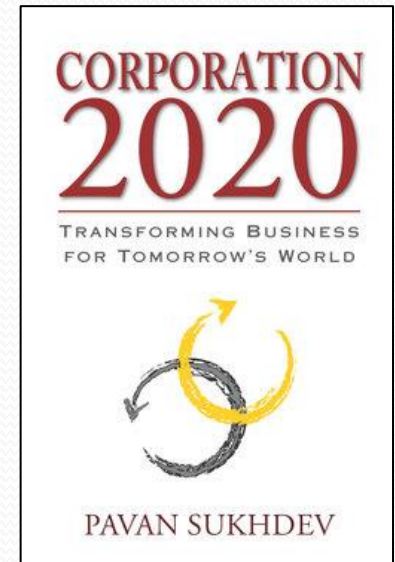


Pavan Sukhdev

Corporate 2020

Corporate 2020 (<http://www.corp2020.com/>)

- "Corporation 2020" is the firm of the future - it creates private profits without creating public losses.
- Today's dominant business model, "Corporation 1920" delivers private profits along with public losses and drives us into danger zones close to Planetary Boundaries.
- The private sector today delivers most of the economy - its GDP and its jobs. To get sustainable development, we need an inclusive green economy, and to get such an economy, we must change the way the economy's main agent - the corporation - does business."



Back to the dilemma. . .

- Sustainability (or Corporate Social Responsibility) requires
 - Corporations (the main institution of the capitalism) to *internalise* much more than profits
- Question→ Will this slowdown or disrupt the pursuit of the profit?
 - And disrupt the efficiency of the market?
- Read:
 - Sukhdev, P. (2013) “Transforming the Corporation into a Driver of Sustainability”. Ch12 of *State of the World 2013: Is Sustainability Still Possible?* Worldwatch Institute, 143-154 (accessed through Springer Link)
- Ted Talk by Ray Anderson:
https://v.youku.com/v_show/id_XMTM5NTQ5NDIyOA==.html?spm=a2hok.11417342.soreults.dtitle

Corporation and Sustainability

- Corporations can participate in activities that increase natural and/or social capital (in addition to their profit making activities)
→ Corporate Social Responsibility (Week 3)
- Business enterprise can be established to increase natural and social capital
→ Social Enterprise (VX440)
- Corporations can transform internally to operate more sustainably
→ sustainable business (Week 3)