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## **Ecological Sustainability and Collaborative Business**

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### **Problems**

- (1) Why is the **mainstream business model** not compatible with **ecological sustainability**?
- (2) Why does the **collaborative business model** fit better in ecological sustainability?

## Ecological sustainability



**Non-declining natural wealth**

$$\Delta V[E(t)] \geq 0$$

## Mainstream Business

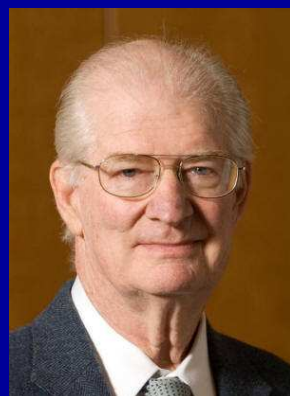
**Based on self-interest and measures success in exclusively money terms.**

**Leads to ecological overshoot, decreasing life satisfaction and social inequality.**

## Gulf of Mexico Oil Spill in 2010



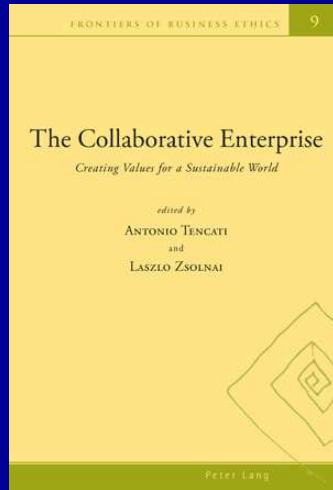
## Uneconomic development



„Increases costs by more than it increases benefits, thus making us poorer instead of richer”.

**Herman Daly**

## Bocconi – Corvinus Project



promotes a view in which economic agents **care about others** and **aim to create values for all the participants** in their business ecosystems. Their criteria of success is **mutually satisfying relationships** with the stakeholders.

## Homo Reciprocans

American economists **Samuel Bowles** and **Herbert Gintis** summarize the model of "**Homo reciprocans**": agents come to new social situations with a propensity to **cooperate** and **share**, and respond selfish, free-riding behavior by **retaliating** against the **offenders**, even at a cost to themselves.

## Positive psychology

studies the **strengths** and **virtues** that allow **individuals, communities, and societies** to **thrive**

- (i) positive emotion and pleasure
- (ii) engagement
- (iii) meaning

**The quality of stakeholder relationships is crucial for the development of a firm**



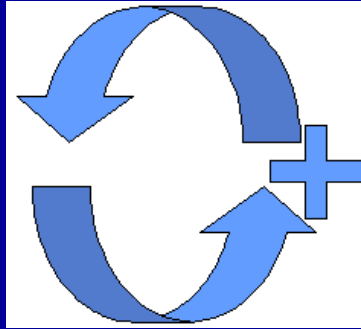
A collaborative enterprise develops a **multiple-bottom-line approach** by addressing the linkages with its different constituencies.

## Collaborative Businesses



The strength and sustainability of enterprises come from their **ability to fit** within the **environmental, social and cultural context** in which they function. By developing **mutually beneficial relationships** with the stakeholders, enterprises can get **deep support** from the stakeholders based on their commitment.

## Virtuous Circle



If we want to get closer to a **sustainable world** we need to generate **virtuous circles** where **good dispositions, good behaviour and good expectations** reinforce one another.

## Thank you!

