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**Trajectories of Transition**  
**toward**  
**Ecological Sustainability**

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**Problems**

- How far are we from **ecological sustainability**?
- What is wrong with the **competitive business paradigm**?
- Why are the **community-based economic models** more promising?

## Hard Facts about Unsustainability (1)

According to the **Millennium Ecosystem Assessment (2005)**, approximately **60 percent** of the **ecosystem services** have been **degraded** or used **unsustainably** worldwide. These services are **fundamental** for the **well-being** of **current and future human generations**, and **other living species**.

## Hard Facts about Unsustainability (2)

Do we **fit** on the **planet**?

Today **humanity** uses the equivalent of **1.5 planets** to provide the **resources** we **use** and **absorb** our **waste**. This means it now takes the Earth one year and six months to **regenerate** what we use in a **year**.

## **Hard Facts about Unsustainability (3)**

According to the **Happy Planet Index 2009**, **no country** in the world is able to achieve, all at once, the three goals of **high life satisfaction**, **high life expectancy** and **one-planet living**.

## **Competiveness as an ideology**

The competitive business model cultivating **individualistic self-interest** and aiming at **profit or shareholder value maximization** is **not compatible** with **ecological sustainability** and increasing **human well-being**.

## Sumantra Goshal

Competitive strategy focuses on how companies build **market power** over their **customers** and **suppliers**, creating **barriers** to entry and substitution, and managing the **interactions** with their **competitors**. The purpose of strategy is to enhance this **value-appropriating** power of a company.



## Ricardo Petrella

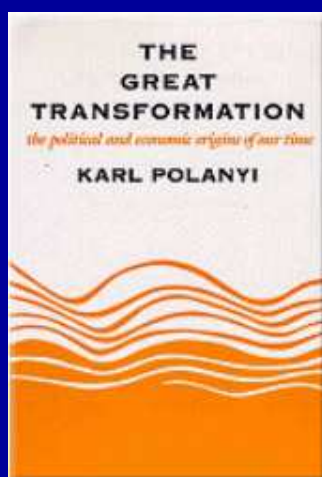


Competition cannot tackle the challenges of **unleashed globalization**: the growing **poverty** and **inequalities** within and between nations; the depletion of **biodiversity** and **natural resources**; and the loss of **human values**.

**Competitiveness** belongs to the realm of „katalaxia” which knows **no ecological limits** or **ethical principles**.

We should gently **return** to „oeconomia” which **knows limits** and **principles**.

## **Karl Polanyi's substantive economic view**



**Karl Polanyi (1886 - 1964)**  
Hungarian-American  
economic anthropologist

The **substantive** meaning of "economic" stems from man's patent dependence for his **livelihood** upon **nature** and his **fellows**. Man survives by virtue of an **institutionalized interaction** between himself and his natural surroundings. That process is the **economy**, which supplies man with the means of satisfying his **material needs**.

## **Community economy**

- (A) Every system used in the community should be able to be **continued** without environmental deterioration in the **next hundreds years**.
- (B) The **size** of the community should be stabilized at an **appropriate level**. The community economy cannot depend on economic growth for the maintenance of employment and prosperity.

- (C) The community must produce **enough food and raw materials** to enable its members to live **simple, comfortable lives** within the limits of their environment.
- (D) All **energy** used in the community should come from **renewable resources**.
- (E) The community could have its **own currency and banking system** to avoid being exploited or disrupted from outside.

## **Examples of Transition**

- **Food sovereignty (France)**
- **Renewable energy (Germany and Sweden)**
- **Alternative currencies (Switzerland)**
- **Transition towns (Britain)**
- **Slow fashion (Italy)**
- **Organic architecture (Hungary)**

## Renewing the Earth



## Sufficiency and Frugality

There is an older path to **reducing our impact** on the **planet** that feel familiar to **Evangelical Christians** and **Buddhists** alike. Live simply. Meditate. Consume less. Think more. Get to know your neighbors. Borrow when you need to and lend when asked. **E.F. Schumacher** praised that philosophy in his **Small Is Beautiful**: "Amazingly small means leading to extraordinarily satisfying results."