

A Recipe for Sustainable Capitalism

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Sustainability [suh-stey-nuh-bil-i-tee] noun: Meeting the needs of the present without compromising the ability of future generations to meet their own needs.”

Capitalism [kap-i-tl-iz-uh m] noun: An economic and political system in which a country’s trade and industry are controlled by private owners for profit.

Like the dynamite combination of the sweet and savory flavors in a dish such as prosciutto and melon or plantains and churrasco, the two definitions above also seem to have contradictory “flavors”; one is focused on social and environmental well being, while the other seems to be solely fixated on profit. However, when the two concepts are combined, they can lead to something revolutionary.

Since the beginning of the industrial revolution in the late 1700s, a linear system of extraction, manufacturing, and disposal has defined human industry. This norm has led to the decline of practically every ecosystem on the planet. It is also the reason why many corporations view the preservation of the natural environment as a hindrance to industrial growth and economic prosperity. To the vast majority of manufacturers, environmental health means harsher regulations with the risk of exorbitant fines. On the other hand, environmentalists view industrial growth as greater pollution and resource depletion. This perspective of the relationship between industry and nature needs to change in order to achieve what we can call a “sustainable capitalism”. Through innovation and the use of current technologies, it is possible to achieve a paradigm shift in the way that we conduct business; a way in which human industry can mimic nature and perform industrial practices in a cyclical process; a process that eradicates waste. The recipe for this paradigm shift toward sustainable capitalism is as follows.

Sustainable Capitalism Recipe:

Ingredients:

- A dash of government
- Private sector
- Public demand
- ¼ cup of innovation
- 2 cups of education
- ¾ cup of business management
- 1 tablespoon of urgency

Procedure:

1. *Take a dash of government and mix it with tablespoon of “urgency for sustainable growth”.*

Legislation and proper leadership play an essential role in the conception of an industrial revolution geared towards a sustainable capitalism. Political leaders, both nationally and internationally, need to understand the urgency of the matter and work towards building a framework that cultivates sustainable economic prosperity. This can be done starting at local level, where legislators can work on increasing recycling standards, passing green building ordinances and demanding a restructure of land use and zoning which promotes walkability and eliminates the requirement of motor vehicles. These sustainable initiatives foster smart growth, while simultaneously increasing the quality of life for the residents of that region. Consequently, better quality of life increases economic growth in that region.

At a national level, legislative leaders must work on the challenge of redeveloping current environmental regulations, which seem to be obsolete and don't align with a vision of sustainable capitalism. William McDonough and Michael Braungart, authors of the book “Cradle to Cradle” so elegantly state, “Regulating bodies can no longer continue considering reduction and minimization of air emissions, soil and water contamination to be a viable strategy. Reduction does not halt depletion and destruction--it only slows them down, allowing them to take place in smaller increments over a longer period of time” Legislation should help build a framework that nurtures innovation and

challenges individuals and corporations to build a flourishing economic environment that thrives in a cyclical process eliminating waste and pollution.

“A chain is only as strong as its weakest link.” Therefore, a strong emphasis needs to be placed on not only building a sustainable economy on our home grounds, but also aiding developing nations, suffering from resource depletion and heavy pollution to redirect their economies towards sustainable growth. An example of this is a majority of the countries in the African continent. Many of these countries rely on their natural resources as their main source of economic growth. As a result, resource extraction has led to many devastating environmental issues such as oil spills, deforestation, and soil and water contamination. Africa cannot afford to bear the effects of such improper and unregulated resource extraction approaches. Scientists already predict that Africa will suffer from climate change greater than any other region in the world. This is why efforts need to be made internationally to help with creating regulatory policies regarding resource extraction and looking for ways to attract other markets to Africa so that it does not have to rely so strongly on natural resources.

2. In the same bowl, whisk in ¾ of a cup of business management and ¼ cup of innovation. Mix until well blended.

Government is the base of the ingredients required for a true sustainable capitalism in that it only establishes the framework for such a paradigm shift. The driving force behind such a movement will be the private sector. Corporations have the ability to reshape industry through the powerful role that they play in the free market. Since the beginning of the industrial revolution, the private sector has played a key part in reshaping our world. Entrepreneurs play center stage in this fast-paced transformation.

As sustainability slowly creeps its way to the forefront of political agendas and corporate business plans, environmental, social and governance (ESG) metrics begin to play an integral part in the decision-making process. No longer can a short-term, finance driven economic thinking thrive, with the pressures of climate change, resource depletion and pollutions becoming more urgent than ever.

An example of where a company took charge and used current technologies to reform its way of conducting business is portrayed in the book Cradle to Cradle. A textile manufacturer in Europe had been told that it's fabric trimmings were considered hazardous waste and it would cost a great deal to have them exported “safely” to a

proper hazardous waste location. The owner of the textile mill looked for a way to change its fabric in order to make it completely nontoxic. Over sixty chemical companies declined invitations to work on this goal, but finally one firm took on the challenge and was able to replace the current dyes and additives in the textiles to make the completely nonhazardous. When the factory went back into operation, regulators came to test the effluent, and to their surprise saw that it was as clean or even cleaner than the city's own water. This is the result of what can happen when entrepreneurs and companies decide to take on the challenge of conducting business sustainably.

3. Bake mixture in a pan greased with public demand for sustainable growth at 175 degrees Celsius for 30 minutes until firm. Allow cake to cool in the refrigerator for one hour. Frost cake with education.

In order for this “cake” to be able to break out of its mold without breaking apart, public demand is necessary. Consumer demand is a key driver in the free market and the free market drives industrial change. Therefore, through customer demand, large companies will implement sustainable changes that have a significant impact on industry globally. Therefore consumers (aka the public) play a significant part in making sustainable capitalism a reality.

In order to catalyze consumer demand for sustainable practices, the public needs to be better educated of the power of their role as consumers. There needs to be better transparency in regards to how products are created, what goes into manufacturing a product and what happens to something when it gets thrown “away”. By knowing these things, consumers will begin to understand the flaws in the current human industry. For example, surely many individuals would opt purchase a mattress made of organic material if they knew how many toxic chemicals they are breathing in every night by sleeping on a regular mattress. Or they would demand companies to produce non-toxic toys if they knew that the toys their children play with contain phthalates, which known to cause liver cancer in animals. Information regarding the manufacturing process provides the public with a strong weapon, knowledge, which can be used to demand sustainable practices and legislation. This is why education acts as the icing on this sustainability cake.

Concluding Remarks:

As Albert Einstein once stated, *“The world will not evolve past its current state of crisis by using the same thinking that created the situation.”* The situation is looming before us- we as human beings are operating in an infinite matter while living on a finite planet. As the MIT research publication, Limits to Growth states, “ Unless special action is taken, human resource use and emissions will continue to increase as a consequence of growth in population and human activity. Importantly, this “human footprint”- if unchecked- will grow beyond the carrying capacity of what the globe can provide on a sustainable basis. Of such expansion into unsustainable territory is allowed to happen, decline- or collapse- on human resource use and emissions become unavoidable.”

We have a crisis before us, but we also have the ingredients necessary to invoke radical change. We just need to start baking.

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