

THE ROLE OF BUSINESSES IN THE ECOLOGICAL TRANSITION THE VALUE OF NATURAL CAPITAL FOR THE ECONOMIC AND SOCIAL SYSTEM



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Recognising the interdependence between the economic, social and natural systems is the first step in reinterpreting the role of business in the ecological transition. Unfortunately, according to the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services, we are witnessing a serious deterioration of terrestrial, marine and freshwater ecosystems due directly or indirectly to human activity. Moreover, climate change is an increasingly present and real threat. According to the Intergovernmental Panel on Climate Change, the main risks for Europe are: damage to people or infrastructure affected by coastal and inland flooding; increased stress and mortality due to rising temperatures and extreme heat; water shortages; and losses in agricultural production due to heat combined with drought and extreme weather conditions. Therefore, knowledge of natural systems and the services they provide to social and economic actors is fundamental, because it allows their current and future value to be recognised and then preserved.

For example, a study published in Nature in 2015 estimated the global number of trees to be around 3.04 trillion, with a felling rate of about 15 billion trees per year, but that represents about half of the trees on the planet at the beginning of human civilisation. In fact, we cut

down trees to satisfy human needs, such as paper and timber production and the expansion of agricultural land. However, trees provide not only raw materials, but also food and oxygen, protect water resources, they host biodiversity, store carbon and counteract climate change, improve air quality, contribute to our physical and mental wellbeing, provide shade and reduce temperature by limiting the impacts of heat waves, to name the main ecosystem services. Preserving trees, and thus our natural capital, therefore means ensuring that we can benefit from these services, not only for present generations, but for future ones as well.

In order to achieve the goal of sustainable development, it is essential to rethink our socio-economic system, balancing the creation of economic, social and environmental value. All actors are called upon to make their contribution to sustainable development, not only individuals, but also companies and institutions. How does a citizen adopt more responsible consumption behaviour if he/she does not have the opportunity to buy sustainable products or services because there are no alternatives on the market?

Companies have the resources, skills and knowledge, to lead the transition, but often lack foresight, vision, or determination. Therefore, the example of companies that successfully pursue sustainability by balancing economic goals with social and environmental ones is of paramount importance to trigger the imitative mechanisms that contribute to change in the whole system.

Sustainability for companies does not mean implementing a limited one-off improvement, but means integrating ethics and social and environmental responsibility at both strategic and operational levels into the day-to-day running of the company.

Sustainability for companies also means going beyond traditional operational boundaries to become active promoters of change, helping to set new industry standards, fostering cultural change, and engaging in dialogue with institutions