



# Moving Towards a **Less Toxic Economy**

**T**HERE'S AN UPSURGE OF "new economy" ideas and efforts these days. Some are relatively mainstream attempts to shift capitalism towards more socially and environmentally responsible directions. Others want to bring more spirituality into the business world. And some take issue even with the whole concept of money as it is structured in our world. More and more you hear the word "toxic" applied to the current economic system.

So what's all this about? Who are some of the players and how practical are their proposals? Here I want to give you some idea of the evolution and range of the economic "fixes" that are bubbling up all over the place these days.

In the 80's and 90's, "new economy" described the transition from manufacturing and brick and mortar retailing to a technology intensive service economy. Online retailing, social media, instant streaming of video content—all these undercut the hands-on, face-to-face, "old economy." But this was more about the disruptive effect of ubiquitously networked computers than any fundamental change in economic capitalism. And it quickly became the next

big, "dot-com" bubble of the late nineties. But also, in 1999, *Natural Capitalism* was published. It argued quite correctly that limited environmental and social resources consumed by businesses don't appear in their accounting systems. They liquidate this kind of capital and call it income. The "commons"—shared support systems, like air, water, and topsoil, on the one hand, and sufficient economic equality to ensure social safety on the other—is crucial to all of us. Failure to include its depletion becomes an invisible public subsidy to big business. The impact of this accounting failure is clearly "toxic." Changing it is a basic idea that informs many more recent efforts.

One example of this is "B-corps"<sup>1</sup> The "B" here stands for "benefit," and refers to two different business regimes. One is a form of for-profit incorporation (differing from state to state), which requires the corporation to achieve and report on "material positive benefit" to society and/or the environment. Without this, for profit corporations can by law only act to increase the wealth of their shareholders. In the four years since 2010, 19 states have passed B-corp laws, and around 1000 such corporations have been formed.

"B-lab" is a company offering third party certification that a company has met a high standard of social and environmental performance. As of Spring 2014, around 15,000 corporations have taken the first step in certification, and around 900 have completed it. This is a significant movement that seems to be gathering headway quickly.

Another kind of approach is growing also among smaller, Internet-savvy, largely service oriented entrepreneurs. It's stated goal is to bring "wisdom" and spirituality somehow directly into business dealings. The Wisdom 2.0 group<sup>2</sup> has organized conferences on both coasts to use technology for social and spiritual good. Out of it grew a Facebook-based "Wisdompreneur"<sup>3</sup> group that has surged to over 3000 members in little more than a year. Both of these are aligned with the huge inroads recently made by "mindfulness meditation" in the mainstream world. Mindfulness in sports, business, education, and even the military looks as if it may achieve the same kind of popularity now enjoyed by yoga.

About 8 years after the dot-com slowdown, another economic bubble, in housing prices this time, precipitated the subprime mortgage crisis. This took down several large financial institutions

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