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**The Future of the North –
Sustainability in Nordic Countries**

Analysis and Critical Comparison

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7. Norway – Presence and Future of Sustainability

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7.1 Introduction

The concept “sustainable development” became more influent after the publishing of, “Our Common Future”, the report from The World Commission on Environment and Development (The Brundtland report 1987). In addition to focusing on environmental responsibility, the Brundtland report claimed that problems related to poverty is part of the challenges we face. The term Corporate Social Responsibility (CSR) is a description for companies’ voluntary integration of environmental and social responsibility in their daily operations. The discussion about corporate social responsibility first appeared in 1990s and has since been globally accepted. Today “sustainable development” is incorporated in the CSR policy plans for several companies and organizations in various fields of business.

The government in Norway maintained in White Paper No. 10 (2008-2009) “Corporate social responsibility in a global economy” (Regjeringen 2009) that CSR becomes more and more important in an increasingly globalized economy. In addition, firms were recommended to include the UN Global Compact, which is a voluntary framework in which member companies binds themselves to implement the various principles of human rights, labor rights, care for the environment and anti-corruption in their daily operations.

In 2015, governments, businesses and civil society together with the United Nations started to organize efforts to achieve the Sustainable Development Goals (SDG) by 2030. Universal, inclusive and indivisible, the 17 SDGs calls for action by all countries to improve the quality of life

for people everywhere. Norway regards the SDGs as a transformative roadmap for both national and international action. In this chapter, we describe and discuss the solutions to some of the sustainability challenges described by the Norwegian authorities in their comments to UNs 17 SDGs in the report “Norway’s follow-up of Agenda 2030 and the Sustainable Development Goals” (Regjeringen 2016) in the context of two different business models.

7.2 Sustainable development

Despite international agreements, and serious efforts in public and private sectors to “go green” the problems related to the interplay between economy, environment and society has grown in both scope and severity over the last decades. It is hard to measure substantial progress with regard to reduction of the negative environmental effects of today’s economic practice. The consequence is that economists and business leaders have to rethink how they should deal with environmental and social responsibility, food security, climate change, poverty, corruption and other ethical topics. According to Max-Neef these challenges are extremely important because the problems are interconnected and the “crises converge to simultaneously reach their maximum level of tension” (Max-Neef 2010, 201).

Eisenstein describes the present convergence of crises, “in money, energy, education, health, water, soil, climate, politics, the environment, and more – as (is) a birth crisis, expelling us from the old world into a new” (Eisenstein 2011, XX). Never in our history, have humans faced so many interconnected global crises of our own making. Responsibility for the society and the natural environment has impact on how the corporations reshape frameworks, rules, and business models. It is no longer acceptable to give priority to profit maximization in isolation from other values. It is necessary to go beyond the level of symptoms to understand and solve the environmental and societal challenges the global society is facing today. We elaborate on the Norwegian politics concerning sustainability by reflecting on to what extent we can find arguments indicating that it is satisfactory to reduce the symptoms; or if the Norwegian authorities require changes at systems level.

Reflections:

In the report “Norway’s follow-up of Agenda 2030 and the Sustainable Development Goals” (Regjeringen 2016) challenges concerning sustainability are described as multifaceted consisting of three dimensions; social, economic and environmental (ibid., 1). To integrate the different dimensions Norway regards participatory, inclusive and representative decision-making as fundamental for a well-functioning society. Dialogue and partnerships with stakeholders including civil society, the business sector and academia is an enduring feature of the democratic system in all relevant policy areas (ibid., 3). Integration is also focused concerning sustainable natural resource management and climate change mitigation and adaptation. In the report the Norwegian government claim that climate and environment concerns should be integrated into all SDGs follow-up efforts is in order to achieve lasting sustainable development results (ibid., 4).

Referring to the precautionary principle, ecosystem-based management and sustainable use are important when addressing the problems, both through international aid and through the development and implementation of international instruments. An important part of the work is to include cooperation with regional organizations, in other words decentralized international cooperation and collaborative partnerships.

We have found many arguments pointing at the necessity of introducing cooperation and network based solutions to reach the goals of sustainable development as described in the UNs 17 SDGs.

7.3 Sustainability in the context of two diverging business models

Before we go deeper into the reflections we put forward a proposition ascertaining that both understanding of, and solutions of 17 SDGs depend on the context of understanding. In the following paragraphs we will discuss the Norwegian authorities solutions to the challenges by referring to two different business models; a business model based on mainstream (neo-classical) economics, focusing on reducing negative symptoms and a business model anchored in partnership approach, claiming the necessity of fundamental changes on systemic level. We are aware of the fallacy

implicit in dividing between two extremes, and we argue that it is not the one or the other; we can find solutions consisting of a blend between them.

In the spirit from the enlightenments image of the mechanistic worldview, the modern society still use science as a tool to exploit the resources in nature to increase the production and consumption rates. In accordance with this reasoning market economy, based upon a growth imperative, could be explained as a child of the enlightenment. The economic actors are described as competitive autonomous atoms. The neo-classical business model is anchored in market economic preconditions and argues that the market economic toolbox is the best instrument to create sustainable solutions connected to production, distribution, and consumption. Stewart and Zhao characterize the neo-classical business model as “a statement of how a firm will make money and sustain its profit stream over time” (Stewart & Zhao 2000, 290).

In a mechanical perspective, nothing has inherent value; the different parts of nature are more or less valuable resources for production and consumption. The consequence is that ecosystems are atomized and, and reduced to instrumental value. Nature has value only as a mean to satisfy human wants and needs. The mechanical models of physical and social processes have according to Metzner; “permitted and driven us to pursue exploitative, destructive, and wasteful applications of technology” (Metzner 1994, 164).

Etzioni argues that the neo-classical paradigm is, “to limited, fails to capture and to understand the complexity of economic issues” (Etzioni 2002, x). To achieve a sustainable scale of production and consumption, fair distribution of resources and wealth, and efficient resource allocation it is necessary to rethink the economic system. Instead of atomistic competition we need a system based on integration, dynamism and holism. In mainstream economics, nature is understood as a machine consisting of different autonomous parts integrated just like cogwheels in a clockwork.

Based on an organic worldview circulation economics balance economy, nature and culture through dialogic processes. The goal is to increase sustainable human well-being within nature and society. In the context of the partnership business model the market is understood as a cooperative network of integrated companies. The economic actors' identities emerge from their integrative processes within the society and nature. An important element in the partnership model is to facilitate solution based on cooperative networks that inspire the firm to interact with all stakeholders

in a way that support sustainable economic, social and ecological long term interests. On a general level sustainable societies are characterized by an economy that does not conflict with nature's source and sink capacity, and have positive influence on the resilience in ecological and social systems.

The partnership business model indicates the necessity of deep changes on systems level that arouse individuals, companies and governments to become advocates for sustainability. The change process would have global influence "as great as the Industrial Revolution" (Gardner 2001, 204). Chouinard, Ellison and Ridgeway (in Harvard Business Review, Oct. 2011) articulate the emerging momentum for the required changes. They state that there is growing acceptance that there has to be a change in economics and business administration in order to handle the environmental challenges of today;

No one these days seriously denies the need for sustainable business practices. Even those concerned about only business and not the fate of the planet recognize that the viability of business itself depends on the resources of healthy ecosystems – fresh water, clean air, robust biodiversity, productive land – and on the stability of just societies. Happily, most of us also care about these things directly (Chouinard, Ellison & Ridgeway 2011)

This citation points out that the concept of 'sustainability' can be used as a collective denotation for a total social development. Hence, sustainable development could be described as the superior goal in politics. It is therefore absolutely essential to make the conceptual content of sustainability more nuanced and concrete.

The Norwegian Government open up for radical changes when they assert that; "Norway regards the 2030 Agenda with its 17 Sustainable Development Goals (SDGs) as a transformative global roadmap for our national and international efforts aimed at eradicating extreme poverty while protecting planetary boundaries and promoting prosperity, peace and justice" (Regjeringen 2016, 1). To do this the Norwegian Government has identified a number of targets that pose particular challenges for domestic follow-up in Norway and relates them to several dimensions of sustainable development, economic, environmental and social.

To sum up, we define the two different business models by dividing between 4 levels, worldview, system, practice and image of man. The neo-

classical business model is characterized by a mechanical worldview, atomistic competition, maximizing profits and the egocentric rationality of the economic man. The partnership business model is characterized by an organic worldview, cooperative networks, well-being and the rationality of the ecological man. In the following paragraphs we go deeper into the four levels when we discuss Norway's plan for follow-up the UN 17 SDG.s. referring to the characteristics of the neo-classical business model and the partnership business model respectively.

Figure 1. Contrasting business models

Levels	Neo-classical business model	Partnership business model
Worldview	Mechanical	Organic
System	Atomistic competition → Quantitative growth	Network based cooperation → Qualitative development
Business practice	Maximizing profits	Well-being
Image of man	Economic man	Ecological man

7.4 Reflections on four levels

7.4.1 Worldview

The neo-classical business model is based on a mechanical worldview indicating that the market is like a large machine driven by physics-style laws. The mechanic worldview presupposes the existence of discrete, well-defined, rational, self-interested, and autonomous economic agents. Both producers and consumers manipulate the mixture of the means in order to maximize profits and utility, respectively. Action is mechanic, it is simply a reaction to a stimulus, e.g. change in the prices of products. In the 1930's, Friedrich Taylor published the booklet "Principles of Scientific Management" (Taylor 1931/2011) in which he described scientific management, as a mechanic management theory in accordance with the principles of neo-classical economics. Neoclassical economics and scientific management are both characterized by causality and determinism. Based on this perspective corporations cannot be socially and ecological

responsible because economic law dictates that they must give priority to maximizing profits.

The partnership business model is based on an organic worldview; the company is integrated in complex and fragile planetary ecological and social systems. Economic activity should contribute to the development of viable societies within a resilient and dynamic nature. Business based on the partnership model addresses some of the most profound failures of neo-classical economics; e.g. the failure to deal adequately with resource depletion and environmental destruction, both locally and globally. Simultaneously it raises basic questions about the nature of knowledge and science, of physical existence, of life, of humanity, of society and of the individual. The partnership model connects Self, Society and Nature in order to develop harmonic coexistence. The focus is on ethics, corporate social responsibility and concern for the natural and social environment.

Reflections:

The report “Norway’s follow-up of Agenda 2030 and the Sustainable Development Goals” (Regjeringen 2016) refers to worldview only indirectly. However, the Norwegian Government says that the SDG’s can be seen as “a new paradigm” indicating the necessity to identify “inter-linkages between areas” (ibid., 6). This statement indicates that sustainable solution could not be reached within the existing paradigm. Several places in the report arguments referring to e.g. life, health and ecosystems strengthen the need for a shift towards organic thinking. When the Government asks for management objectives to be achieved across sectors, combined with indicating that the most important environmental problems facing the planet require cross-sectoral cooperation, we conclude that the understanding of the challenges concerning sustainable development refers to organic thinking.

The Norwegian Government also refers to ecosystem approach when they discuss how to assist developing countries in assessing, mapping, and managing their marine resources (ibid., 27). To understand the fundamental causes of environmental degradation that are global in nature an ecosystem approach is required. In addition Norway has established integrated ecosystem-based management plans for its own sea areas. All relevant authorities cooperated in developing the management plan as a framework for ensuring sustainable use and value creation, while main-

taining the structure, functioning, productivity and diversity of the marine ecosystems (ibid., 25).

Concerning social systems Norway will continue to support peace, conflict prevention, and reconciliation efforts, which the Government sees as crucial foreign policy supplement to humanitarian and development assistance. To implement the plan all countries and stakeholders must act in collaborative partnership (ibid., 5). It is emphasized that all people must have the same opportunities for personal development, participation and self-realization, irrespective of their gender, ethnicity, race, religion or belief, indigenous identity, sexual orientation or disability. This indicates that the Norwegian Government refers to a holistic organic worldview in the understanding of the challenges.

7.4.2 *System*

The neo-classical business model is in accordance with Cyert and March, who claim that firms are operating within a perfectly competitive market. The business model; “asserts that the objective of the firm is to maximize net revenue in the face of given prices and a technologically determined production function” (Cyert & March 1963, 5). In its basic form, the neo-classical business model views the firm as a black box, a mechanism that connects stimulus and responses. Profit maximization is established as the one and only primary goal, and the decisions are made and evaluated based on processed information. Cyert and March claims that rationality in the business model can be reduced to two propositions; “(1) firms seek to maximize profits; (2) firms operate with perfect knowledge” (Cyert & March 1963, 8).

The partnership business model could be described by the following characteristics; holism, cooperation, altruism, responsibility, understanding, and ethical behavior. Through partnership agreements the actors themselves take the initiative to find holistic solutions that are not possible within the context of atomized competitive market economy. “Partnership – the tendency to associate, establish links, live inside one another, and cooperate – is one of the hallmarks of life” (Capra & Luisi 2014, 355). This means that all actors in the market are interrelated and interdependent of each other. Cooperation within networks gives priority to communicative action, which is practiced, in lifeworld arenas for dialogue. As

a consequence we have to establish the necessary technical requirements for building dynamic interrelations between the actors, materialized through communicative arenas. Partnership approach describes the market as a collaborative network of integrated actors.

Reflections:

On the one side, concepts such as partnership and cooperation are used to give reason for concrete action in the report “Norway’s follow-up of Agenda 2030 and the Sustainable Development Goals” (Regjeringen 2016). E.g. to solve problems connected to poverty Norway gives priority to partnership based solutions with private sector, UN, and other organizations (ibid., 3-4). Another example, “All countries and stakeholders, acting in collaborative partnership, will be engaged in implementing this plan of action” (ibid., 5). To highlight the necessity of cooperation the report argues that, “The scope of the SDG’s is so comprehensive that no state, organization or institution can pursue the 2030 Agenda in isolation” (ibid., 33). The Dep report also points at the need of addressing the root causes of poverty, migration and conflict, and to promote human rights and good governance. “A holistic and context-sensitive approach to poverty eradication is required” (ibid., 10).

On the other side, the Government highlights economic growth as part of the solution. Norwegian priorities are directed towards economic growth. “Norway also works towards sustainable economic growth and full employment by promoting free international trade” (ibid., 19). In accordance with the neo-classical model the Norwegian Government argues that “International trade is an engine for economic growth” (ibid., 33) and that economic growth requires financing in the form of domestic resource mobilization and tax collection, as well as business and private sector investments.

To stimulate growth Norway will continue to promote technology and knowledge transfer; open trade and market access; and capacity building to ensure effective and accountable governance institutions and respect for the rule of law and human rights (ibid., 3). As examples of the connection to the neo-classical business model the Norwegian Government uses concepts like “sustainable economic growth”, “strategy for green competitiveness” and “the green shift” as means to solve national sustainability goals. Technological innovation is also mentioned as an important

driver of green growth. The development of new technologies and the innovative use of existing ones in areas such as health, energy, agriculture and waste treatment will help to achieve the successful implementation of several of the SGDs.

The report gives contradictory signals on systems level, on the one side the Norwegian Government give strong signals indicating a change towards collaborative network based solutions and on the other side competitive growth is emphasized as a precondition for sustainable development.

7.4.3 Business practice

Production

The neo-classical business model is based on the same principles as the American Marketing Association has proposed as a definition of marketing; "Marketing is the performance of business activities that direct the flow of goods and services from producer to consumer or user" (Bagozzi 1986, 5). The business activities are specified as, for example; product-development, packaging, promotion, personal selling and advertising. Today most marketers agree that the process could not be limited to a one-way flow. Instead marketing involves interaction between seller and buyer. The goal of marketing is to generate profits or return of investments through satisfaction of consumer needs. In the center of focus we find "the product". International justice and environmental responsibility are not included as integrated parts of the product. Instead of including workers conditions, income and the environmental consequences of the production processes, there is a tendency to look upon the product as autonomous from their natural and social origin.

From a partnership approach the choice of methods connected to farming, manufacturing, transportation, and distribution are of great importance both to the ecological sustainability and to human health. The producer must earn enough to support his/her family and the price to the consumers must not prevent the consumers from buying the products. The cultivating, manufacturing, distribution and consumption of products also have influence on the social dimension.

An important aspect of fair trade is to avoid suffering of people and their communities, as well as the degradation of natural resources and

sustainability. The most striking characteristic is perhaps that fair trade is not about charity. It is trade – not aid, which means a striving for equal distribution of profit, the development of cooperatives amongst the Third World producers and equitable trading policy (Strong 1997). As long as we see the commodities on the market only as isolated physical entities it is hard to recognize the environmental and social consequences. In the partnership model all products are integrated parts of an all-encompassing whole, characterized by dynamic change. In a more general perspective human activities are interconnected and are integrated parts of the global ecosystem. A vital point of the organic/process philosophical world-view is the acceptance that everything in reality is interdependent both temporally and spatially. According to these presuppositions we argue that to grasp the environmental and ethical dimensions of the product, it is essential both to stretch the time horizon from the past into the future, and to expand the spatial focus from local to global.

Reflections:

In the report “Norway’s follow-up of Agenda 2030 and the Sustainable Development Goals” (Regjeringen 2016) the Norwegian Government maintained that, Norway depends heavily on ocean-based industries such as oil, gas, fisheries, aquaculture, shipping and tourism” (ibid., 25). The main pillars in Norwegian food security policies are continuous food production and a well-functioning trade system. The Norwegian Government argues that, there is potential for improvement in reducing pollution from production, “the purpose of the support is to increase productivity, build resilience and strengthen the smallholders’ ability to influence decisions that have a direct impact on their lives” (ibid., 11).

To support the increased focus on sustainable solutions they argue that it is necessary to upgrade the infrastructure to make industry sustainable. All relevant authorities cooperate in developing the management plans as a framework for ensuring sustainable use and value creation, while maintaining the structure, functioning, productivity and diversity of the marine ecosystems. “The management of living marine resources is based on certain key principles: sustainable harvesting, the precautionary principle, the ecosystem approach, and adequate legislation and an efficient control and enforcement scheme” (ibid., 26). A “strategy for green competitiveness and the green shift” is underway (ibid., 19).

“Technology and knowledge will play a key role in facilitating the transition to a low-emission society. The [Norwegian] Government will promote expanded use of clean and environmentally sound technology and industrial processes by strengthening its focus on R&D and the development of environmentally sound technology. The Government also attaches importance to ensuring that the public sector makes a contribution, by using and promoting new environmentally sound and climate-friendly solutions” (ibid.).

The argumentation found in the report indicates that the solutions are within the neo-classical business models frame of reference. But there are also some indications on a reference to the organic partnership model.

Distribution

Distribution within the neo-classical business model represents all activities that contribute to the movement of goods and services from the producer through a distribution channel, to the final customer or consumer. In a competitive market distribution is of great importance as an element in the marketing mix (product, distribution, price and promotion). To increase sustainability is relevant to reduce CO₂ emissions connected to transportation and storing. The product is given and the distance between producers and consumers is also fixed, the question is how to find the most sustainable distribution solution. The choice between channels depends on costs and profitability. As international trade has become more extensive, many scholars question whether it is economically and ecologically rational to organize the economy in such a way that more and more resources are needed to transport raw materials, semi-finished and finished products over ever-greater distances. Distribution requires considerable resources in terms of physical transportation and storage in addition distribution contributes to increased CO₂ emissions and general environmental contamination.

The goal in the partnership business model is to reduce, the environmental impact of distribution. In addition to choose transport solutions that are least polluting it is necessary to reduce the distance between production and consumption and to integrate optimal solutions for recycling. All stakeholders in the process are involved in deciding the solution to the distribution. In order to shrink the distance between production and

consumption, it is necessary to give priority to decentralized solutions, even if they are not the most profitable. What could be produced locally should not be centralized.

The speed of the economic circulation also affects the levels of use of resources (input) and pollution (output). Economic growth leads to increased speed and thus increased negative environmental consequences of distribution. If we study distribution as an integral part of decentralized networks the need for arenas for cooperation become obvious. The sustainability of distribution could not be separated from the other functions in the economic circular system.

Reflections:

In the report “Norway’s follow-up of Agenda 2030 and the Sustainable Development Goals” (Regjeringen 2016) the authorities argue that “sustainable production and consumption patterns entail more efficient and less wasteful use of resources along production and supply chains” (ibid., 23). They follow up with requesting that it is of great importance to limit climate change in order to “safeguard sustainable economic growth” (ibid.). On a concrete level, the Government has engaged with partners throughout the food production and supply chain with a view to reducing food waste. To reach the sustainability goals “All Norwegian companies are expected to exercise corporate social responsibility and the Government is maintaining its engagement to further develop international reporting requirements, which are transposed into national law” (ibid.).

To stimulate the development of a “competitive industrial sector” the “Government will develop Norway’s transport systems to limit the environmental effects of transport and contribute to making Norway a low-emission society” (ibid., 19). Ensuring sustainable urban development while accommodating population growth in the future will be challenging. The Government is working continuously to develop more efficient and effective frameworks and tools, in partnership with cities and local government authorities. A white paper on sustainable towns and strong regions is currently being drawn up and will be presented to the Norwegian parliament, Stortinget, in spring 2017.

From these reflections we can conclude that the Norwegian Government appeal to solutions based on the partnership business model and at

the same time appeal to the fundamental premises in the neo-classical business model.

Consumption

In accordance with the Neo-classical business model increasing consumption is an important mantra. The western economics grew as much in percentage in the twenty years between 1950 and 1970 as they had done in the thousand years between 500 and 1500. Today the growth of world GDP exceeds 3 per cent annually. Many scholars within different fields of science agree with Pearce, who asserts that, "the man-made bacterium that threatens the life of the planet is the growth imperative at the heart of modern economics" (Pearce 2001, 26).

The huge growth in production and consumption over the last decades has actualized the following challenges. First, many local, regional and global environmental and societal problems are connected to an over-sized economy. Second, the global economy is characterized by unfair distribution of resources and goods both between different countries and within countries. Third, the production of waste, both from industry and from households is growing faster than ever. Fourth, the technical capabilities we dispose in the West have an inclination to manifestation. Surplus of capabilities of man leads to an ever increasing production of means. Even when material need is satisfied. The consumers take neither the ecosystems nor the social systems into consideration when deciding what product or brand to choose.

In the partnership model ethical consumerism is focused. In modern market economy it is assumed that it is not the shareholder, but the consumer that has most power. This is illustrated most dramatically by referring to the asymmetrical relation between the "First World" consumers who are immensely wealthy compared with the "Third World" producers. This is partly due to the fact that prices for goods are biased and favour the "wants" of the consumer rather than the "needs" of the producer. Sorell and Hendry (1994) developed a framework of ethical consumerism based upon a concept of buying a product that involves the approval and support of the product. One interesting question Sorell and Hendry pose is how far do the responsibilities of consumers extend? Should people in rich countries worry about the cost to the environment of the production of

some products, the wage and working conditions of the producers, the suffering of animals in the research, development of certain products, and the political affiliations of companies, and their charitable contributions? Strong (1997) discusses fair trade consumerism and problems that have hindered the translation of fair trade principles into consumer behaviour. In the partnership model frugality represents an interesting gateway to meet these challenges, presupposing a context where sustainability and quality of life are superior goals. Contrary, we argue that within the context of mainstream economics, giving priority to economic growth, frugality represents a problem, even a threat.

Reflections:

The Norwegian Government respond to challenges connected to both quantitative and qualitative consumption and they claim that “Norway has contributed financially and with expertise to the establishment of (...) programmes on sustainable consumption and production patterns, and continues to follow the programs on sustainable lifestyles and education and sustainable public procurement” (Regjeringen 2016, 23). “The new patterns must take into account social needs and rights as well as long- and short-term environmental impacts if they are to be truly sustainable. The new patterns must take into account environmental impacts, based on the polluter pay-principle. If successfully implemented, sustainable patterns of consumption and production can provide decent living conditions and livelihoods for current and future generations. They can limit climate change and safeguard sustainable economic growth” (ibid.).

It is interesting to notice that it is said next to nothing about consequences for the level of consumption in Norway in the Dep. report 2016. Instead Norway funds projects developing more sustainable consumption patterns in other countries. This is in accordance with the neo-classical business model where private economy and the consumers’ responsibility to implement sustainable solutions are not focused. In the partnership business model consumption is an integrated part of the collaborative network.

Re-distribution

In the neo-classical business model reprocessing of waste is a tool for more efficient use of scarce resources. Continued growth in production rates, and more general growth in GDP is based on efficient re-distribution systems. The European Commission adopted an ambitious has proposed a law that stimulate to increased re-use of different fractions of waste in order to stimulate Europe's global competitiveness, and to foster sustainable economic growth and generate new jobs. The proposed actions will; "contribute to "closing the loop" of product lifecycles through greater recycling and re-use, and bring benefits for both the environment and the economy" (http://ec.europa.eu/environment/circular-economy/index_en.htm). The European Federation of Waste Management and Environmental Services states that reprocessing of waste is developed not only from an environmental point of view but also from an economic point of view. "By ensuring open markets and fair competition, jobs and growth will be created" (<http://www.fead.be/images/news/4thFEADopinionpiece.pdf>).

In the partnership business model re-distribution is defined as one of the most important principles. The main difference from circular economy in the neo-classical business model is the integration with nature and culture. The eco-systems produce no waste, all kinds of material or energy are flowing as integrated parts of living synergic circular networks, output from one living organism is in-put for others. In the same spirit waste products from production and consumption can be transformed from valueless garbage to valued resources. In order to reduce the pressure on nature's source and sink capacity is necessary to cooperate to find solutions within decentralized networks. Instead of focusing on quantitative growth the attention changes toward qualitative development.

Reflections:

The comments on this dimension in the report "Norway's follow-up of Agenda 2030 and the Sustainable Development Goals" (Regjeringen 2016) concentrates solely on market based solutions, within the neo-classical business model. The Government argues that; "Without a price on emissions of greenhouse gases, it will not be possible to cut emissions significantly and effectively. A carbon prize is also necessary to stimulate the development of climate-friendly technology" (ibid., 24). In other words,

it is hard to find any sign of circular or circulation economical solutions to challenges concerning sustainable handling of waste. Collaborative network systems for reprocessing of waste are not mentioned at all.

7.4.4 *Image of man*

In the neo-classical business model, the economic actor is described as narrowly self-interested. The economic actors make judgments exclusively motivated on their subjectively defined ends. Using rational assessments, the economic actor attempts to maximize utility as consumer and economic profit as business. “The economic man” is a metaphor, indicating that economic actors behave according to the ideas of ethical egoism. The economic man is seen as rational in the sense that well-being as defined by the utility function is optimized given perceived opportunities. That is, the individual seeks to attain very specific and predetermined goals to the greatest extent at minimum possible cost. In a cost/benefit analysis all values are transformed to a one-dimensional quantified scale. This kind of rationality does not say that the individual’s actual goals are rational in some larger ethical, social, or human sense, only that he tries to attain them at minimal cost. Smith argued that the principle of pursuit of self-interest was acceptable because it produced a morally desirable outcome for society through the ‘invisible hand’ of the market.

The ecological man, in the partnership model is integrated in social and ecological networks. Man is by nature social. Society is something that precedes the individual. The ecological man is characterized by trying to find solutions leading to the highest possible utility for most people within the principles of ecology. In other words, rationality includes long term responsibility for society and nature. “Man ought to regard himself, not as something separated and detached, but as a citizen of the world, a member of the commonwealth of nature, and to the interest of this great community, he ought at all times to be willing that his own little interest should be sacrificed” (Adam Smith in Sen 1987, 23). Sustainable development, in time and space, presupposes in other words, that the economy’s image of the economic man is replaced by an image of an ecological man, characterized by holistic understanding and social responsibility. Sen argues that we are not only accountable to other people, we also have

a responsibility to safeguard biodiversity in nature, not because it is important for human welfare, but because all life forms have intrinsic value.

Reflections:

The report “Norway’s follow-up of Agenda 2030 and the Sustainable Development Goals” (Regjeringen 2016), does not comment on the image of man or the definition of the economic actor. On the one hand, the lack of interest for this topic could be interpreted as a sign of accepting the neo-classical definition of the economic man as a utility maximizing person. On the other hand, if we read the report in more creative way we can find some formulations indicating a change from the economic man towards the ecological man. This is highlighted in the discussion of ecosystem approach and fairness in distribution of wealth.

7.5 Concluding remarks

In our opinion it is not sufficient to reduce the negative symptoms of the neo-classical business model based on; atomistic competition, economic growth, monocultures, and egocentric rationality. Strong regulations could at best establish an illusionary harmony between economy, culture and nature. In order to implement positive resilient relations between the stakeholders it is necessary to make founding changes on all four levels, world-view, system, practice and individual in the direction of organic world-view, network-based cooperation, qualitative development, well-being and ecological man. The partnership business model contributes to develop structures, institutions and attitudes that lead to sustainable interaction between economy and the social and natural environment.

What we need today is an economic system that provides a livable guide for action, one that can be commended, because of its coherence and relative adequacy. In other words we need to change towards an economy where the market is assumed to be a network of interdependent actors. In this context, CSR expands from only applying to shareholders to include all stakeholders that are affected in one way or another by corporate activities. CSR is based on an understanding of the market where the actors are parts in networks consisting of stakeholders such as; customers, suppliers, competitors, local communities and NGO’s. One reason

for this concern is that businesses accept responsibility for maintaining sustainable ecosystems for the welfare of future generations.

The partnership business model is more appropriate to understand and solve some of the most serious challenges we are facing today than the neoclassical business model based on rationality and atomism. In a broader perspective we argue that the new economic practice goes along with a deep change in human consciousness (micro-level), leadership theory (meso-level), and economic system (macro-level) (Storsletten & Jakobsen 2013).

This change process has the potential to unfold solutions to the most urgent challenges, locally, regionally and globally.

Instead of focusing on profits, the goal is to implement advances in environmental sustainability, social well-being. Viewing the business model from this expanded context of interpretation makes it possible to maintain long-term sustainability. While the leading presuppositions in the neo-classical business model could be characterized by the mantra; ‘more is better’, the emerging insights in the partnership business model goes in the direction of; ‘less is more’.

Economic actors are according to the partnership business model characterized by being dialogue oriented in search for the common good. It is important to give priority to purpose before egocentric maximization of profits or utility. This kind of economic behavior represents a major upheaval for actors within the neo-classical business model. A deeper change is needed on all levels, it is not enough to eliminate the symptoms of the crisis and cover up with the old established ideas coated with conceptual illusions. Even if the neo-classical business model is still dominating, there are strong tendencies based on an underlying inspiration, saying the sustainable future depends on our ability to make changes in economic system, business practice and actor level. By rediscovering the interconnectedness of the world, the partnership business model emerges.

Reflections:

In the report “Norway’s follow-up of Agenda 2030 and the Sustainable Development Goals” (Regjeringen 2016), the Norwegian Government has demonstrated ambiguity concerning the choice of contextual business model, this leads to an unclarified understanding of how to cope with the sustainability challenges connected to the UNs 17 SDGs. In the under-

standing of the challenges the Government refer to eco-system approach close to what we have defined as the partnership business model, while the solutions to a larger extent refers to the extensive use of the toolbox found within the neo-classical business model.

Focusing on measures that stimulate a sustainable development concerning the integrative interaction between environment, economy and society depends on our ability to involve multi-stakeholder consultations to define goals and means. If we succeed in integrating the three dimensions of sustainable development in a balanced manner, this will highlight the relevance of the Agenda 2030 and the Sustainable Development Goals at both national and international levels. The Norwegian Government states that, in order to maintain a high level of popular engagement, “Norway will continue to promote informed debates and information sharing on available platforms” (ibid., 34).

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