

## Natural Capitalism

Writer Lisa Swallow observes that “natural capitalism” was the first framework “designed to show how the new century’s profits would be drawn from engaging in socially responsible behaviors.” Natural capitalism is an extension of the economic notion of “capital, “ but recognizes that it is important to value, restore and conserve natural systems which provide a stock of resource capital and ecosystem life support services for all life. The sustainability framework for natural capitalism evolved from the 1999 book entitled *Natural Capitalism: Creating the Next Industrial Revolution*, co-authored by Hunter and Amory Lovins and Paul Hawkins. An extensive literature, touting both the concepts and case study applications, has evolved during the past two decades.

The framework for sustainability is based upon the following principles:

1. Buy time by using resources dramatically more effectively
2. Re-design all industrial processes and the delivery of products and services to do business as nature does, using such approaches as “biomimicry” and “cradle to cradle” to reduce process inputs and waste outputs
3. Manage all institutions to be restorative of natural and human capital

Natural capitalism approaches primarily have used a business case and profit motive to make business and organizations more efficient and sustainable. It should be noted that the principles and framework which underlie both “Natural Capitalism” and “The Natural Step” are largely intended to reduce the “intensity factor” (discussed under “Sustainability Concepts”) by improving the efficiency of industrial processes and business operations to reduce resource inputs, waste outputs and costs.