

## **ECONOMIC SUSTAINABILITY IN BUSINESS**

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<b>Abstract</b>	<i>This paper is aimed at understanding how businesses can reconcile the need to be environmentally and socially sustainable with the demands of a market based system, whose key elements of measurement are profit and growth. The patron of Economics “Adam Smith” once asked the question: How does a society prevent the profit hungry individual from holding up their fellow citizens to keep in pace with the market trends. So this can be done, through economic sustainability, efforts are being taken in this regard to reap large scale benefits, and provide long lasting support to the society and its people, by meeting up the increasing demands. Business sustainability is often defined as managing the triple bottom line, a process by which companies manage their financial, social and environmental risks, obligations and opportunities. These three impacts are sometimes referred to as profits, people and planet. These elements are combined with the forces of economy to generate better and profitable results. It particularly aims at exploring economic aspects of an organisational sustainability thoroughly, and tries to figure out the ways to incorporate it in the organisational framework. Economic sustainability can be achieved when requisite demands are met, that helps the economy to generate heavy gains, and There is an urgent need to develop a system where sustainability is achieved in the business in terms of economic and social grounds.</i>
<b>Keywords</b>	<i>Market based system, Increasing demands, Environmental risks. Profitable results, Organisational framework.</i>

### **INTRODUCTION**

Sustainable economic growth is economic development that attempts to satisfy the needs of humans but in a manner that sustains natural resources and the environment for future generations. An economy functions in the ecosystem. We cannot separate the economy from it. In fact, an economy cannot exist without it. The ecosystem provides the factors of production that fuels economic growth: land, natural resources, labour, and capital (which is created by labour and natural resources). Sustainable economic growth is managing these resources in a manner that they will not be depleted and will remain available for future generations.

While many economists and people disagree about the importance of the environment regarding economic activity, the following facts are seldom disputed:

1. The extraction and depletion of natural resources, as well as pollution and permanent changes made to the landscape, are caused by economic activities and can do harm to the environment.
2. Many of the costs of the harm created by economic activities are not borne by those who cause it but by other people who neither obtain the benefits from the economic activity nor agree to pay the costs related to it. Pollution is a perfect example. Businesses are permitted to pollute to a certain degree (less now than in the past). They don't have to pay for the pollution, but society does by dirty air, water, and contaminated soil that affect the quality of our air, water, and food. This pollution can lead to serious health effects, which may reduce the quality of life and health of the population. We call a cost borne by someone who did not agree to bear it an externality.

### **IMPLICATIONS OF ECONOMIC SUSTAINABILITY FOR BUSINESS**

It has become a cliché that environmental problems are substantial, and that economic growth contributes to them. A common response is stricter environmental regulation, which often inhibits

growth. The result can be a trade-off between a healthy environment on the one hand and healthy growth on the other. As a consequence, opportunities for business may be constrained. However, there are some forms of development that are both environmentally and socially sustainable. They lead not to a trade-off but to an improved environment, together with development that does not draw down our environmental capital. This is what sustainable development is all about - a revolutionary change in the way we approach these issues. Businesses and societies can find approaches that will move towards all three goals - environmental protection, social wellbeing and economic development - at the same time. Sustainable development is good business in itself. It creates opportunities for suppliers of 'green consumers', developers of environmentally safer materials and processes, firms that invest in eco-efficiency and those that engage themselves in social well-being. These enterprises will generally have a competitive advantage. They will earn their local community's goodwill and see their efforts reflected in the bottom line.

## OBJECTIVES

- **Reforestation of the City:** Promote the replanting and management of vegetation on private and public property within the city.
- **Full Public Participation in Development Decisions:** Allow the public to be part of all planning decisions. Economic, environmental and social impacts of proposed developments should be considered.
- **Actively Promote Economic Sustainable Development:** Advocate changes at the senior levels of government, as well as in the city, in order to evolve towards sustainability.
- **Protection and Enhancement of Natural Features:** Protect and enhance Burlington's natural features by ensuring that the physical features of shorelines, agriculture lands, flood plains, forestry tracts and notable landmarks such as the Niagara Escarpment are preserved for future generations.
- **Balanced Development:** Provide a community plan and an economic strategy aimed at creating sustainable and appropriate forms of development that reflect human scale and a sense of community as well as representing a balance between urban development and natural surroundings.
- **Accessible Community Development:** Form a new type of community development which includes readily available local community components such as commerce, shopping, employment, education and recreation within walking distance of all residences.
- **Ecosystem Auditing:** City of Burlington should prepare an objective ecosystem audit of the entire municipality at regular intervals.
- **Evaluation of Development:** Continuous monitoring and evaluation of development should take place to ensure that it does not have adverse impacts on the city's finances and the environment

## LITERATURE REVIEW

Daly. HE (1991): Steady state economics, this book elaborates the role of economics in maintaining the internal and external affairs of the business. It also highlighted that how sustainability can affect the working environment of a place.

RuttanV.W(1991): The book Sustainable development through economic and social areas. It tries to bring out that how economically things and objectives can be achieved through economic sustainability.

Wirth. T.E(1994): A book on Sustainable development highlights the role of sustainability in all allied areas that helps in keeping the balance between social, economical and environmental aspects.

**RESEARCH GAP**

- Make decisions that recognize the interdependence of humans and nature in a common ecosystem.
- Promote responsible resource use and conservation practices.
- Have regard for environmental, economic and social costs and benefits in the development and use of resources, products and services.
- Promote responsible stewardship to ensure equitable use of natural and environmental resources in order to meet essential needs of both present and future generations.

**RESEARCH METHODOLOGY**

This paper is purely based on secondary data, accessed through allied sources such as Books, Articles, Research Papers, Journals and Internet. All these sources helped a lot in bringing out the actual purpose of the paper.

**Table 1. The paradigm of sustainable development**

Type of Sustainability	Element criteria
Economic	Growth Development Productivity Trickle Down
social	Equity Empowerment Accessibility Participation Sharing Cultural Identity Institutional stability
Environmental	Eco system Integrity Carrying capacity Biodiversity

Source: The Environmentalist 19, 145]161\_1999.

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**Limitations**

- **Minimal Discharge of Toxic Pesticides and Other Toxic Chemicals:** Promote the elimination of private and public use of toxic pesticides and other chemicals that have negative effects on the environment, particularly those known to be persistent.
- **Restricted Use of Natural Resources:** Encourage conservation of natural resources, the city should work towards ensuring that users are charged for the full local costs of their individual use of water, electricity and sanitary sewers. There should also be educational programs to encourage conservation of natural resources.
- **Making More Use of Materialistic Factors:** Land-use decisions based upon an ecosystem approach to ensure environmental integrity and diversity. To include, but not be limited to, promoting environmentally sensitive lands and using fertile soil for agriculture throughout the municipality.
- **More Concentration on Protection of Natural Resources:** Preserve and extend accessible green spaces, shorelines, natural water courses and the Niagara Escarpment for future generations.

**FUTURE SCOPE OF THE WORK**

- **Integration of Natural Features and Green Space:** Integrate natural features and green space in all new developments and intensification projects.

- **Energy Conservation:** Promote energy conservation through efficient use of planning and design that helps the businesses to expand fastly.
- **Efficient Urban Design:** Increase the efficiency of land use in the urban community in terms of energy and time, promote intensification and diversification policies rather than policies that generate urban sprawl.
- **Balanced Transportation System:** Develop a balanced transportation system including transit, pedestrian, and cycling amenities and best use of the road system for movement of goods and people, with the existing facilities used to their fullest capacity

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