

# MSU CCED Community and University

## Triple Bottom Line

Intro Music

### **Heather Mahoney**

Hello, and welcome to Community and University, the MSU Center for Community and Economic Development podcast aimed providing outreach to both community members and students throughout the state of Michigan. I'm Heather Mahoney and I'm the producer for Community and University. Today on our podcast, we have Terry Link, a past author of an REI Co-Learning Plan on the Triple Bottom Line, a business theory with a focus on sustainability.

### **Rex Lamore**

Good afternoon we're here for another podcast here at the center for community and economic development at Michigan State University, and I'm Rex Lamore director of the center here. And joining us today is our guest Terry Link with, who is the founding director of the Michigan State University office of campus sustainability. He is also the executive director of the Peace Education Center here in the greater Lansing community. He's been an active community leader in our community, one of the founding members of local first year in Mid-Michigan, also a professor emeritus of our faculty board of advisors with the Center for Community and Economic Development, and also an author of one of our Regional Economic Innovation Co-Learning Plans on Triple Bottom Line businesses. So welcome Terry to CCED podcast.

### **Terry Link**

Always good to be here, Rex.

### **Rex Lamore**

Look forward to chatting with you. Also joining me today is Ms. Shelby Kurland, who is a research assistant here with us in the center and helping us with a number of projects related to our Domicology work, but also other activities that center's involved in. Ms. Kurland.

### **Shelby Kurland**

Good to be here.

### **Rex Lamore**

So Terry, tell us a little bit about your vision of the Triple Bottom Line community. What does that involve, and why should economic developers be concerned with triple bottom line businesses.

### **Terry Link**

Well, Rex, this is almost the last day of March of 2018 and my vision of the world, which is not too errant from a good portion of educated people, is that we have two fundamental human challenges. One is climate destabilization, and the other is increasing income inequality. So I see all solutions need to be driven to dealing with both at the same time, thereby looking for an example of a framework that could help us think through that process as we try to come to solutions for all the things that challenges us. So, fairly uniquely all the nations of the United Nations two years ago came together and agreed on these sustainable development goals that all countries would pursue in the hopes that they could meet these goals by 2030. There are 17 goals. They include things like gender equality, climate change, clean water and sanitation, education, income equality, democracy, peace... I won't go through all of them, but we tend to work at things and bits and pieces, and we don't think holistically. And then the typical dominant economic paradigm that you and I have grown up in, assuming that we've grown up, we've aged... that's for sure, is this notion that the economy is a driver of everything. And if we get everything out of the way, the economy just by natural forces will bring wealth and prosperity all. And we know it's a lie, even if it was initially good intention, it's been deformed so much that greed wins. And if things trickle down, and the fact that we have climate destabilization and growing income inequality should be enough signal that we need to change the system. So. I look at businesses as being a partner in that and businesses that are designed from the outset, not simply to make profit, but to profit the entire community and not just the living community, but those that are coming afterwards, because it's the fear that the young people in this room are gonna be dealing with things that we don't have to deal with. We'll be long gone and whether it's increasing inequality, or it's climate destabilization or any of the offspring to come from that. So it just makes good sense if you care about anything other than your short term self to look at enterprises, whether they're for profit or not for profit that are working on all of those goals at the same time, or at least focused on those two basic challenges: income inequality and climate destabilization.

### **Rex Lamore**

You're deep thinker. Well, read man, you run a blog, I know, and there's quite a few people that follow your blog. So why is there so much resistance and so little progress in achieving action in the triple bottom line world?

### **Terry Link**

I don't think there's an easy answer to this. If there was somebody would have had it long before myself. I think it's complicated. I think there's lots of factors. Part of it is the overriding culture of how we measure success. And so if you look at Maslow's theory of self-actualization, once you have your food and shelter taken care of, then you can go up a little bit and start thinking about the bigger issues, which I've been fortunate to be in a position where I've been able to do that, but lots of people can't get past that. And if you structure the rules of

the game, so that winning is everything, winning for yourself is everything, then that's the outcome that you might expect. If you structure the rules differently, then you might get a different outcome, but the rules are set up so that wealth begets wealth, it doesn't necessarily get distributed, and the power is still involved at the point where wealth is controlled. And the myth that you hear from almost everybody about economic growth, well you can't have continued growth on a finite planet. We're already past the point. Our ecological footprint is now absorbing more than the planet can produce and/or absorb in terms of waste, and we have more people coming out to the planet and a lot of people who are not up at our level. So there's gotta be a redistribution quick, or there's gonna be real disaster. If we think things are bad now, I'm sure they're gonna be worse.

### **Rex Lamore**

Very few elected officials or candidates for elected office run on any platform that even resembles these kinds of concepts and practices. How do we reconcile that they aren't articulating this as those who are seeking to be our leaders in the public realm and the need for these kinds of actions to be taken in the public realm?

### **Terry Link**

I think politicians will come last or close to last. This is why you see going back to the triple bottom line businesses, the B corporations, for example. They're not waiting. They're not being driven by government or policy to decide that they want their enterprise to be concerned with more than just their personal prophet. I mean they're purposefully, each of these organizations, may be taking a different twist and a different emphasis on what areas within that bottom line, they're really gonna emphasize, but they're doing this because they believe in it. I'm kind of surprised in our culture, that's a dominant Christian culture, that the churches haven't called out more for this, and been against this. The Moral Mondays movement is an example of one that is. Pope Francis is another example from that faith community that's doing it, but in the past, a lot of the drive to what we might consider progressive values have come in large part from people who have a theological, whatever their theology is that the theological doctrine is, they believe in this community of life and stuff that we need to share. And until some of that happens, I don't know. I don't really know if I have the magic answer. I probably wouldn't be sitting here, I'd be out podcasting to save the world.

### **Rex Lamore**

So triple bottom line businesses, what are the advantages of a community that might target triple bottom line businesses as an economic development strategy?

### **Terry Link**

Well, I think one of the things from the little study that we did for you of just a few years ago was that triple bottom line businesses, or community businesses, even if they have operations

in more than one place, they're committed to the communities that they're in. They're committed to their employees, and they want good employees so they want a community for their employees to prosper in as well and feel good about it and not leave because some other grass is greener on the other side. So there's this orientation that way, and as well, they're looking at, if they're looking specifically at the environmental side in terms of reducing their footprint, oftentimes, despite an initial capital investment, the payback and savings, because they don't have to deal with the waste, in some way or another, whether it's hazardous waste or and hazardous waste, it's a cost saving. So there's efficiencies to be found in there. And if you like good puzzles and a lot of, I think entrepreneurial folks like puzzles and figuring things out, then trying to figure out how to do things in a way that's lighter on the environment, better for people, is kind of a fun way to go as opposed to how much money can I rake in tomorrow, which is in our environment and with our business schools teach a lot of... that's relatively easy game, everybody's playing that game. Let me change the rules of the game and do it yourself and succeed, even within that board game that you're playing, it's more fun, it's more satisfying.

### **Rex Lamore**

So communities and societies and nations across the planet have identified some important values that they want to achieve: sustainable development goals. Can you share with us your perspective on those and what you think of those?

### **Terry Link**

Well, again, since it's one of those really rare events that the community of nations in the world can come together and agree on something, the world should pause and say, well, maybe there's something here worth us doing. And these... they have done this so well, not only did they have the 17 goals, but they have like 169 specific targets within those goals. And they have another 239?... I don't remember exact number, something like that. Indicators that the nation states are to measure. So as we measure, we can see how we're moving towards that progress at the goal of 2030. Now, I don't think anybody is under the illusion that all nations will make all those goals, and there isn't any nation that is already meeting all of those goals. So everybody has worked to do. But, it also puts us in this fabric of thinking of us all as one sharing a single planet in a single future. That's a common future. So what's really interesting to me is that both of the business sector and the higher ed sector now is starting to look at those goals as templates to measure their own performance.

### **Rex Lamore**

Can I get a couple examples of those that they are using?

### **Terry Link**

I can send you the links to them. I would not articulate them well, but I've been noticing in the literature and examples... So for example, in the American higher education sector, they've been using this program called STARS, which is a triple bottom line design for higher education. Well, they are re-looking at STARS as they do from time to time and seeing how well they align with those sustainable development goals. And I assume that in doing that, they'll refine some of those targets and indicators so that they can respond to how they're doing. One would assume that at the global community could come together on these goals. I should say one, might assume, one could assume, that the incentives might develop to help move things that way. In which case, those who are earlier adopters will be in better shape to take advantage of those incentives. And I think that really holds some promise, the book by Christian Felber, the Austrian economist called *Change Everything*, the public, building an economy for the public good, gets at the kind of incentives that if you changed the rules of the game, the triple bottom line companies would prosper and communities would prosper as results. A lot of this is rule changing, but it's gonna be real changing both at the local community level, and it come up to the state level and the nation state level, and then maybe at some point we'll have some agreed on things that transcend all borders.

### **Rex Lamore**

So as a local economic development professional, what might be the first step that I could take to try to help my community move forward in the 21st century?

### **Terry Link**

I would bring people's attention to the sustainable development goals, and tell them to start looking at their own performance that way, are they bringing in and supporting the kinds of things that address the needs and the challenges that these goals say that we should? I mean, take for example, one of the organizations that we did in a paper that we did for you a couple years ago, Aqua Clara out on the west side, they are doing water sanitation. This is one of the big goals, one of the big goals. They're doing the research and design here, and they're building teams that go around the planet to show people how to make these tools that help their waters water sanitation there using things they have there. They're not producing them and selling them. And yet, they are a company that is making... it's working on a triple bottom line basis and it's still prospering. Last I heard they have more employees now than when we interviewed them a couple of years ago. And they're doing work that's important, and that's the kind of example that the kind of things that one could conceive of doing. So I think the possibilities are endless. If you bring enough creative people in the room and you have these 17 goals, how do we fixed all 17 at the same time? Ooo now there's a puzzle.

### **Rex Lamore**

Some people feel embracing UN development goals threatens national sovereignty and our independence as a nation. How might you respond to those people who believe that?

**Terry Link**

Well, there's no legal requirements on these goals. It's an agreed upon direction that we've all decided to take, but so just like the climate agreement in Paris, nations can pull out and even there, nations can to set their own targets of what they're gonna do in terms of that. That's the point of it is it's still driven, but it's done in conjunction with an agreed upon direction that the world should move. And I think otherwise the United States will be an outlier. And then the business is here, that especially those who wanna do business overseas will find that the policy disincentives from having been lagers will hurt them as opposed to helping them.

**Rex Lamore**

I'd like to thank Mr. Link for joining us here today on our podcast, and I encourage our podcast listeners to visit our web page at the Center for Community and Economic Development to learn more about these and other topics related to community and economic development in our state and nation. Thank you Mr. Link. Appreciate your help.

**Terry Link**

Thanks for having me.

**Heather Mahoney**

Thanks again to our guest Terry Link and thank you for listening. Stay tuned for more episodes of *Community and University* from the MSU Center for Community and Economic Development on other innovative economic, community, and university work.

Outro Music