

**A STRATEGY FOR THE COMMONS AFTER THE TRAGEDY IN THE COMMONS:
FROM PAIN TO GAIN
FOR THE EU AND ALSO IN SPAIN**

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Crises are of all times. However painful, they often serve the purpose of catharsis. Our collective wisdom to explain the causes, including of the current Euro-crisis, is unlimited: with the benefit of hindsight we recognize the signs which were on the wall, but didn't notice or took no action on. We are suffering from collective, unintentional blindness to have the foresight, or are overwhelmed by the number of possible scenarios and/or conflicting interests in remedying. And when the crisis hits, we initially often underestimate its effects and impacts. As in business, emerging crises are like creeping insolvency which only manifests itself when the liquidity has dried up. Preventive or low-cost remedies are then too late.

Nothing is impossible, particularly when it is inevitable: this, fortunately, applies to the next mega-crisis. As always in crises, it will be different in scope, scale, manifestation, effects and more difficult to deal with. However, this time we can already today read the signs on the wall for this looming, inevitable new mega one. And we know the date for its manifestation as well: 12 (always on a Monday), October (always this month, or September), 2015 (with a biblical logic the usual 7 years after the previous one). Its scope is also clear: in our globalized world the 1+ bln poor workers, small-holders will tell governments, business and the middle and higher income citizens (we) that they have no chance to get a job, that their share in wealth and income is too low, that they are not heard and represented, that promises to them have not been kept, that they are the primary victims of natural resource depletion, ecosystem degradation, loss of biodiversity, climate change, water stress, that they lost trust in government: “not enough is not enough”, no more supplies from us! They will realize, as did OPEC on 17 October 1973, that now they, living and working at the beginning of our supply chains, have the power to change the game. And they will do so, globally, assisted by the social media. The prize of globalization enjoyed by us today will have, eventually and inevitably, a very high price.

So what may we, the relatively affluent, affected citizens, do to take early action to mitigate or at least reducing the root causes and negative effects of this situation, and start to adapt to a different reality post our current bubble of too low commodity prices, too low manufacturing and labour costs, too low interest rates relative to the future risks.

A lot, and it starts today, here.

Our ethical compass and aspiration must be: wellbeing for all, within planetary boundaries, as also WBCSD says.

We all also need to adopt an inclusive, ethical approach to our interventions, purchases.

We all need to aspire true value creation in a new real economy, whether in business or government.

We all need to redefine capital beyond traditional financial capital: nature has a value (and through PES it ought to have a bank account) and so has social capacity.

We all need to strengthen our analytical screens and procedures, recognizing the broader costs and impacts of our footprints, actions.

We, as consumers, need to let our purchasing behavior be much more led by the true (intrinsic) value and impacts of such products, and pay the “true price”

We as business should recognize and internalize the environmental and social externalities, currently unaccounted for in corporate reporting and product information, invest in pro-sustainability, pro-social justice and pro-stability industries, take responsibility for the full value-chain, address the material dependencies and impacts, and adopt net positive impact strategies on greenhouse gas emissions, water, biodiversity, ecosystems, etc.. “Pain” in the value chain is not new but its occurrence is today, also through media, more amplified in the public domain and markets (recently Foxconn/China, Walmart et al/Bangladesh).

We have a choice: do nothing, but then expect increasing scarcities, civil unrest, instable supply chains resulting in disruptions and much higher prices for us, or take action now with respect to sustainable value chains, sustainable prices, fair wages, waste reduction, etc. .

We as government, should eliminate inconsistent and perverse regulations and subsidies, provide policy encouragement, offer incentives to innovation and better practices, adopt strict own procurement policies, require public pension funds to live their duty of care, and enact far-reaching disclosure requirements of itself and business on ESG matters (Environmental, Social, Governance). The EU definition of Corporate Social Responsibility (CSR) is offering us a handle, namely that business must be and is empowered to measure and report its impacts on society. I am encouraged that EU Commissioner Barnier of Internal Markets will very soon launch regulation which will, in a smart and flexible way (“report or explain why not”) make large companies report on both their financial and ESG performance. Integrated reporting is eventually our target. True value, real risks may only be recognized if national and corporate accounts are made with a new lens which is fit for a new real, sustainable, circular economy. With the lack of the right data, markets are not efficient and the prices are not right. Structured transparency is at the heart of change! Governments should be uncompromising with obstacles, spoilers.

We as civil society should be the catalyst of this urgent transition by exposing and challenging bad practices, by offering solutions for better practices and by raising broad-based awareness and engagement. Be the effective change agent. Governments and markets have failed us in the current crisis: it is our duty to change the game, as investor, employee, consumer, thinker, citizen. In the Netherlands we have a permanent multistakeholder forum, Worldconnectors: its members are leading persons, including youth, from the various sectors in our society: politicians, civil society, labour, academia, business, religious groups. Through this platform, we, across all dimensions in the Dutch society, come with joint ideas and specific recommendations for a sustainable, inclusive and peaceful world. The Round Table is a catalyst and an actor for an open, tolerant, optimistic and pro-active Netherlands that, in all its diversity and in its own “value-chain”, is a “global actor in the world”.

What does this all mean for the European Union?

The 2001 White Paper European Governance still has its validity, but needs a new spark and become a more outward-looking document. From pain to gain: the EU should become itself a leader in the global transition, to think in terms of its own international value-chains (so beyond borders), to use its convening power to enable the private sector to adopt pro-sustainability strategies, to make markets work for sustainability, including broad-based, enhanced (GRI-based) non-financial disclosure requirements for itself and at least all stock-listed businesses: “report or explain why not”. The OECD Guidelines for multinational enterprises are a comprehensive and effective template for such pro-active, values’-based, value chain-sensitive approach. It is also an excellent example of “co-creation” between governments (44, incl some non-OECD countries), business (BIAC), labour (TUAC), NGO’s (OECD Watch), resulting in a collaborative practical, strategic approach to business practices in the entire valuechain.

As a conscious EU citizen, I would like to encourage you, us, to create a similar platform as we have in the Netherlands with Worldconnectors: multi-stakeholder, open, independent, inspirational, proactively serving as catalyst and actor for a new positive role of the EU internally and in the world, without boundaries.

We should, we can , and we must act now. Let this “+EuropeForum” be the starting point!

Thank you!

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