

# Taking Natural Capitalism to the World

The 1999 publication *Natural Capitalism* details a new model that enables companies to realise the opportunities sustainability brings. Co-author, Hunter Lovins, is now focusing on implementing the principles of Natural Capitalism throughout the business world, and she's on her way to Australia.

The next Industrial Revolution is already being led by companies learning to profit and gain competitive advantage from the principles of Natural Capitalism. Not only that, their leaders and employees are feeling better about what they do.<sup>1</sup>

Lovins' book<sup>2</sup> states that achieving competitive advantage requires the understanding and implementation of four fundamental principles<sup>3</sup>:

- Radically increasing the productivity of natural resources.
- Shifting to biologically inspired production models and materials.
- Moving to a 'service-and-flow' business model, and
- Reinvesting in natural capital.

The principals were developed by Hunter and Amory Lovins, co-founders of the Colorado-based non-profit sustainability think tank, Rocky Mountain Institute (RMI), and Paul Hawken, author of *Ecology of Commerce*<sup>4</sup>. They come as the result of many years of research focused on how to turn sustainability into both a manageable goal and a business opportunity.

Before *Natural Capitalism*, Amory and Hunter teamed up with Ernst von Weizsäcker to develop a Report to the Club of Rome entitled *Factor 4 – Doubling Wealth, Halving Resource Use*, highlighting 50 examples of improvements in resource and productivity which are achievable now and often at negative cost.<sup>5</sup>

Many other countries are committing to radical resource productivity goals and are



Hunter Lovins

increasingly including sustainability as part of their national systems of innovation. Australia has announced that one of our four major national research goals will be 'an Environmentally Sustainable Australia'.

Our Environmental Industry Action Agenda highlights the fact that over 23% of Australia's R&D presently goes into eco-innovation and better understanding and managing the environment for the public good.

In June 2002, after 20 years building RMI, Lovins has started a new chapter in her luminous career by forming the Natural Capitalism Group of the Global Academy.

'I've been thinking about going out on my own for some time,' she said. 'There are many, many opportunities that come my way... I really want to take natural capitalism to a greater audience.'

A kindred spirit and a dedicated environmental activist, she has authored and co-authored numerous other books, including *Brittle Power* (1982), *Energy Unbound* (1986), *Factor Four* (1997), *Green*

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*Development* (1998), and hundreds of papers and articles. In 2000, *Time* magazine listed her as a Hero for the Planet.

'Hunter's contributions to energy and resource efficiency are among the most important by anyone in those fields,' said RMI Board of Directors Chairman, John C. Fox. 'In her 20 years at the Institute, she has positively influenced thousands of people and hundreds of organisations.'

Throughout her career Lovins has consulted for governments and the private sector, briefing senior management at such groups as Interface, Mitsubishi, Bank of America, Royal Dutch/Shell Group, and numerous utility companies.

She is currently working on various new projects including a sequel to *Natural Capitalism* with her colleague Walter Link, co-founder of the Global Academy, entitled *The Human Dimensions of Natural Capitalism*. She is also creating the Natural Capitalism Academy, an educational organisation that will develop curricula and educational programs based on *Natural Capitalism* ([www.natcap.org](http://www.natcap.org)) (co-authored with Amory Lovins and Paul Hawken).

In Australia, Lovins is a key part of the Editorial Team for The Natural Edge Project<sup>6</sup> (TNEP) currently developing the publication *Natural Advantage of Nations – Business Opportunities, Innovation and Governance in the 21st Century*, with a foreword from Amory Lovins.

Hunter will officially launch the publication at the *ENVIRO 2004 – Business of the Environment* dinner in Sydney on 27 March 2004, hosted by Environment Business Australia. She then sets off on a two-week tour of the country supported by various groups, bodies and institutions in partnership with TNEP.

Charlie Hargroves

1 Synopsis of Natural Capitalism: <http://www.natcap.org/images/other/NCsynopsis.pdf>

2 Hawken, P., Lovins, A. & Lovins, H. (1999). *Natural Capitalism: The Next Industrial Revolution*. Earthscan Publications: London.

3 See [www.natcap.org](http://www.natcap.org) for further details.

4 1998 voted best college text on business and the environment by 67 American business schools.

5 Ernst von Weizsäcker, Amory Lovins, Hunter Lovins (Earthscan 1997).

6 [www.naturaledgeproject.net](http://www.naturaledgeproject.net)