

SUSTAINABILITY TODAY

The Experience Economy

Along with your daily dose of dismal economic news, consider this: any economic stimulus package that Congress passes will carry with it an expectation that people spend a good portion of their earnings. On stuff. That expectation creates a conflict between the need to drive economic growth through consumption, on one hand, and environmental sustainability that depends on lower consumption, on the other. But [as President Obama said during this week's press conference](#), "This economy has been driven by consumer spending for a very long time. And that's not going to be sustainable." We need a better way.

Enter the concept of the *experience economy*, in which growth is fueled by spending not on goods but rather experience. In this scenario, government spending creates jobs to build not only transportation and energy but also cultural infrastructure, which includes theaters, museums, art galleries, libraries, parks, and, of course, schools. People are encouraged to spend less on stuff and more on experience: cooking great (organic) food, education, travel, studying languages, dancing, attending a concert or a sporting event, reading, gardening, etc. All these experiences can feed the economy—if the economy is oriented toward promoting experience over ownership. What's more, few activities in the experience economy impact the environment to the extent that buying and, ultimately, throwing away stuff does.

But for the experience economy to work, people must have time to experience. A shorter work week would give them time

and would vastly improve quality of life. Parents could spend more time with their children, doing homework, or attending a show at one of those new galleries or theaters. A shorter workweek will also pay dividends in the form of lower healthcare and commuting costs. And commuters—and their cars—would spend one fewer day on the road; the potential environmental benefit could be significant. [See Dean Baker's excellent piece](#) for more on the shorter work week.

By spending less on stuff, people might be more inclined to invest some of their earnings in developing economies. Instead of tchochkes, [buy a goat or beehive](#) in your client's name, and an entire Bolivian family can begin to feed and clothe itself and educate its children. Or peruse the [Microfinance Gateway](#) to find a micro-lender that suits your values.

A likely fringe benefit of the experience economy is happier, and ultimately, healthier, people (again, lower healthcare costs). How many people hate their jobs but can't earn enough money doing what they love? In the experience economy, you would have more time to play your cello and, what with those new concert halls, might even earn a living at it.

Consider that much of the past decade's economic growth was illusory—based on inflated asset values coupled with rampant borrowing and spending—and the experience economy begins to make even more sense. For when you get right down to it, shouldn't the value of our society and ourselves be measured by what we pass on to our children?

And I'm not talking about that Marc Jacobs handbag.

NEW AND NOTEWORTHY

KPMG releases 2008 reporting survey

The [KPMG International Survey of Corporate Responsibility Reporting 2008](#) finds that more than 80 percent of the world's 250 largest companies now report on corporate responsibility. The greatest drivers for reporting were ethical considerations (69 percent) followed by economic considerations (68 percent), a reversal from 2005.

Employees are influential but uninformed

The [Profile of the Practice 2008](#), published by the Boston College Center on Corporate Citizenship, concludes that employees are perceived as the most influential stakeholder for citizenship, but compared with other stakeholder groups are seen as the least informed. Survey results from more than 400 practitioners suggest that 14 percent of employees are "very informed," compared with 66 percent of CEOs.

Consumers are increasingly interested in the supply chain

The Natural Marketing Institute recently [released](#) its annual list of consumer trends for 2009. Consumers are seeking more information about companies' supply chains in order to learn about how sourcing practices impact sustainability and consumer safety.

REPORT REVIEWS

Each month, we evaluate a corporate responsibility report for [Ethical Corporation](#) magazine. Click on the following links to read our most recent reviews:

- > [GE Citizenship Report 2007-08](#)
- > [Arcelor Mittal 2007 Corporate Responsibility Report](#)
- > [CB Richard Ellis vs. British Land 2007 Corporate Responsibility Report vs. Corporate Responsibility Report 2007-08](#)

Fostering thought leadership with the Yale Center for Business and the Environment

Framework:CR partnered with the Yale Center for Business and the Environment beginning in September 2008 to promote thought leadership on sustainability among the next generation of corporate leaders.

During the fall semester, Framework:CR facilitated a research project between Yale graduate students and Seventh Generation that considered new ways of engaging with supply-chain partners on sustainability issues. This spring we are facilitating a second research project with another leading consumer products company and are guest lecturing on how to effectively manage the consultant-client relationship.

For more information on this partnership, or to inquire about participating in future research projects, please contact Kyle Whitaker at kwhitaker@frameworkcr.com.

Sustainability webinars with the Altamont Group

In collaboration with the Altamont Group, Framework:CR began offering 90-minute webinars on sustainability-related topics in October 2008. Due to the overwhelmingly positive response, we are pleased to announce that our next sustainability reporting webinar will take place on March 5th at 1:00PM EST. To sign up for this session, please contact Jeffrey Brown at the Altamont Group at jbrown@altamont-group.com.

Stay tuned for news of additional webinars on sustainability reporting and strategy development—dates to be announced later in 2009!

To arrange a private webinar for your organization, please contact Aleksandra Dobkowski-Joy at adjoy@frameworkcr.com.

CLIENT NEWS

Framework:CR clients receive recognition

Two Framework:CR clients, Symantec and Seventh Generation, were named among 19 finalists for the 2008 Ceres-ACCA North American Sustainability Reporting Awards. Winners will be announced at the Ceres 20th Anniversary Conference on April 15–16 in San Francisco, California.

In addition, Sustainable Asset Management AG (SAM) and PricewaterhouseCoopers recently published their fifth annual Sustainability Yearbook, which includes a list of the world's most sustainable companies. Symantec was recognized as a sector leader among software companies and a "SAM Sector Mover" for showing the greatest improvement in their sustainability performance relative to sector peers.

STANDARDS UPDATE

GRI releases Financial Services Sector Supplement

Following the completion of its five-year, multistakeholder review process, the Global Reporting Initiative (GRI) has finalized and released the **Financial Services Sector Supplement (FSSS)**. The **Product & Service Indicator Protocol** was last updated on **November 11, 2008**. If you downloaded the **FSSS** prior to this date, please note that additional changes have been made.

ISO updates product standards guide

The International Organization for Standardization (ISO) released **ISO Guide 64:2008**, which offers a step-by-step approach to identifying the basic environmental aspects and impacts related to a product's life cycle. The guide includes an environmental checklist for standards writers.

GRI seeks comments on Mining and Metals Sector Supplement

The draft **GRI Mining and Metals Sector Supplement**, assembled by a multi-stakeholder working group, is now available for comment. The public comment period will remain until **April 29**; the working group aims to release a final version in the second half of 2009.

AccountAbility announces AA1000SES revision survey

AccountAbility has released a revision survey for **AA1000SES**, which focuses on stakeholder engagement and an organization obligation to address stakeholder concerns. AccountAbility aims to make the standard more relevant and accessible across entire organizations and sectors, including the public sector.

