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A THEORETICAL FRAMEWORK OF BUSINESS-NATURE RELATIONSHIP

Introduction

In the field of organizational studies there seem to be a lack of understanding concerning the overall picture of corporate greening. Consequently, scholars seem to disagree about the current status of both academic environmental studies as well as corporate "greening" practices and processes (Dobers et al. 2001; Kallio 2002). In the paper it is suggested that the perspective of the business–nature relationship is the most comprehensive way for understanding the status and the problems of corporate greening on a macro-level, and the theory of business-nature relationship could therefore work as a potential backbone to organizational environmental studies in general. In addition, the theory of business-nature relationship offers fertile grounds for linking the organizational environmental studies more closely to the wider social scientific environmental discourse.

What is a business–nature relationship?

The business–nature relationship refers to the "paradigm" or the general frame of reference inside which corporations and firms operate. Business-nature relationship is understandably not produced in a societal vacuum but, instead, it is a constituent and a manifestation of a wider cultural and societal context. Since the dominant business-nature relationship is a part of a prevailing social reality, and therefore normative in its character, a corporation or an industry cannot survive in a permanent conflict with the business-nature relationship. Importantly, as a consequence the dominant culture in a way materializes in the corporate operations. This "materialization" can be measured with scientific methods and technical instruments. What results is reported on corporate, state, and international levels as yearly pollution numbers and in environmental reports.

If we draw an analogy to describe the business-nature relationship from Schein's (1985) well-known model of organizational culture, the organizational operations represent the behavioral manifestations and the produced pollution the physical manifestations of a societal culture. Beneath the artifact-layer stands the layer of values. The value-layer can be separated into two distinct levels. The "deeper" level of these stands for the societal macro-level, in which the societal problems (such as environmental problems) and the prevailing values are socially constructed. By values here is meant e.g. the Western highly consume-oriented and anthropocentric lifestyles on the one hand, as well as the well-documented pro-environmental attitudes on the other hand. The "lower" level of values represents the societal subcultures or specific fields of business that might have complementary, orthogonal, or counter-culture features (see Martin –

Siehl 1983) compared to that of the dominating culture. For example some fields of business might have more pro-environmental or on the contrary more conservative values than the dominating culture or the other fields of business. By subculture here is meant for example regional culture in a large nation such as the USA or even a certain country, such as Germany, if the analysis take place e.g. on the level of the European Union. It is naturally possible to take the analysis further onto a global level as well.

At the bottom lies the basic assumptions' layer that firmly constitutes the values' layer and through values further the artifacts' layer, but which itself on the other hand changes only very slowly. The basic assumptions' layer is uneasy to attain and interpret – hence this is usually a field of environmental philosophers'. It is often suggested that human-nature relationship varies due to culture, and especially that the dominant Western culture and the Judao-Christian religion behind it would be more anthropocentric and instrumentally oriented than e.g. the Orient cultures and religions (see e.g. Hargrove 1989; Wright 1987). On the other hand, when it comes to environmental issues we might just as well turn the setting upside down, and claim that a societal culture varies due to prevailing human-nature relationship. On the basis of above analysis we can outline the following figure.
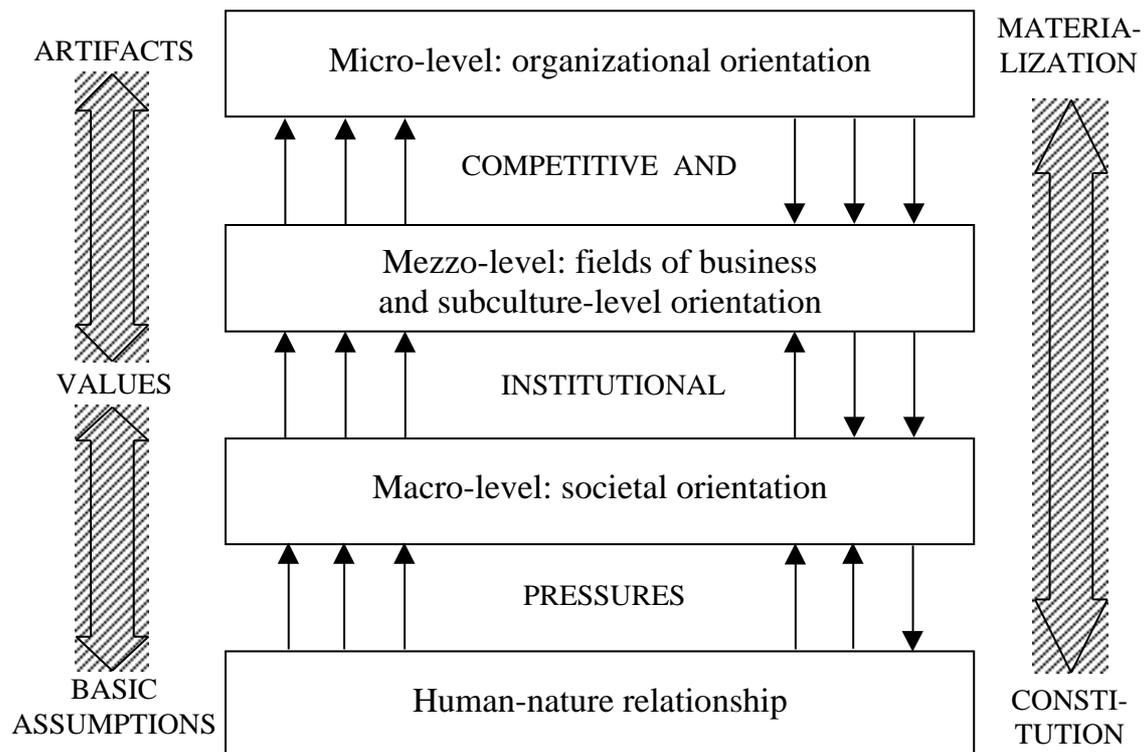

Figure 1. The layers of nature relationships.

The figure 1 demonstrates a hierarchical model of nature relationships. At the very bottom of the figure stands the previously mentioned human-nature relationship, which constitutes the macro and mezzo levels and further micro-level business-nature relationship. Thus, in principle we can theoretically separate three nature relationships: a human-nature, a society-nature, and a business-nature. It must be recognized, however, that this kind of typology is artificial since it is impossible to say exactly where e.g. the business-nature relationship starts and where the society-nature

relationship ends. All the nature relationships are in fact one and same phenomenon, seen from different perspectives. Therefore it is only reasonable to say that in a fundamental level it is our Western human-nature relationship that causes the environmental problems. Although this is probably true, while other interpretations are possible of course, this will not lead us to any closer of solving the problems. Therefore we need more elaborated perspectives. We need to understand how and through what kinds of processes the prevailing business-nature relationship comes into existence and if there is something that we can do differently.

For developing a more elaborated picture of how the basic assumptions' layer materializes into pollution in corporate actions, besides theories of environmental philosophy (human-nature relationship) and environmental sociology (society-nature relationship) we also need a more elaborated theory of business-nature relationship itself. It is suggested here that the business-nature relationship consists of three interconnected elements. These are the theory of phases, the theory of motivation-bases, and the theory of constitution. These three theoretical elements of the business-nature relationship are constructed and discussed on the subsequent pages.

The phases of business-nature relationship

The history of corporate greening is usually divided into two eras with reference to Schot and Fischer's (1993) well-known typology. Schot and Fischer call the first era, from roughly 1970 to 1985, as *resistant adaptation*. During the era of resistant adaptation the dominant pattern of corporate behavior was lack of willingness to integrate environmental issues into business strategies. Corporations fought against fundamental changes and reacted in an ad hoc fashion to growing demands and pressures of government and consumers. Accordingly, most firms did not even develop their own environmental policies, and changes made in production stagnated on a pollution control level without development in the process of technology nor products.

The second era, which Schot and Fischer call as *embracing environmental issues without innovating*, started roughly 1985. The shift from the first to the second era took place as a consequence of a number of important environmental accidents which catalyzed public pressure and new regulations; corporations were no longer able to maintain their societal legitimization without changing their orientation towards natural environment, and the first signals of coming pressures from customers, industrial customers, and investors became visible (Schot – Fischer 1993; see also Williams et al. 1993). In addition, importantly, during the late 1980s and early 1990s perspectives emphasizing mutual compatibility of interest of both business and natural environment received considerable attention. Schot and Fischer (1993, 12) summarize three trends in the second era as follows.

1. First, there is a clear institutionalization of environmental concern within firms. The localized and fragmented approach of the first period has been replaced by a more rigorous and consistent policy which is supported and enforced by the top management.
2. Second, most firms perceive environmental problems as their own problems. Goal setting for becoming environmental friendly is part of their new identity. Environmental issues are becoming part of business operations on all organizational

levels and functions. However, a firm's commitment to going beyond regulation typically means anticipating regulation. Thus, on average firms do not develop their own policies but react to outside regulatory, public pressures, and to an increasing extent also market pressures.

3. Third, only a minority of firms are moving beyond a compliance-oriented approach towards innovative strategy. Such strategy is based on the expectation that excelling in protecting the environment is necessary, creates new opportunities, and eventually could lead to competitive advantage. Because of the outside pressures, the innovative strategy does not start in just producing a single environmentally friendly product; such a strategy requires deeper commitment and changes in the organization.

Schot and Fischer's analysis ended in 1992 but their estimation was that the trends would continue to deepen in the future, emphasizing especially that innovative strategies become more common. Schot and Fischer's predictions have proven to be valid. Environmental management's popularity has continued its growth and the role of strategic issues has become increasingly important.

Especially at the beginning of the 1990s corporate greenness largely took place on the level of speech (e.g. Takala 1994; Lovio 1995) and was therefore more or less illusive. Now at the beginning of 21st century the corporate greening process is still largely produced in speech but changes have also become increasingly concrete as well. Thus, even though there is still considerable empty rhetoric in corporate greening speech and though environmental management has received much criticism, there is usually no doubt about environmental management's positive effects when the analysis takes place at the level of a produced unit. However, the estimation changes radically when we look at the big picture. The increasingly growing number of consumers combined with growing material consumption just makes an impossible formula in the long run. Thus, what has been achieved in material and energy efficiency and product design has been lost due to higher levels on consumption, in some cases accumulated (see e.g. State of world 2001).

Obviously, the logic and rationality of material oriented consumption have not been seriously questioned in corporations nor in society in general. While some might disagree, it seems to be clear that the prevailing era of corporate greening is still the one described by Schot and Fisher (1993), and this concerns even the most pro-environmental countries such as the Nordic countries and Germany. This is not to say that development in corporate actions would not have taken place since the beginning of 1990s, but instead that the prevailing logic of business-nature relationship is still the same. However, knowing the ecologically unsustainable basis of our current being, it seems only reasonable to claim that there must and will be a third era, a third phase of business-nature relationship ahead of us. Accordingly, the business-nature relationships can be theoretically separated into three distinct phases out of which all follow their own special logics. (see figure 2)
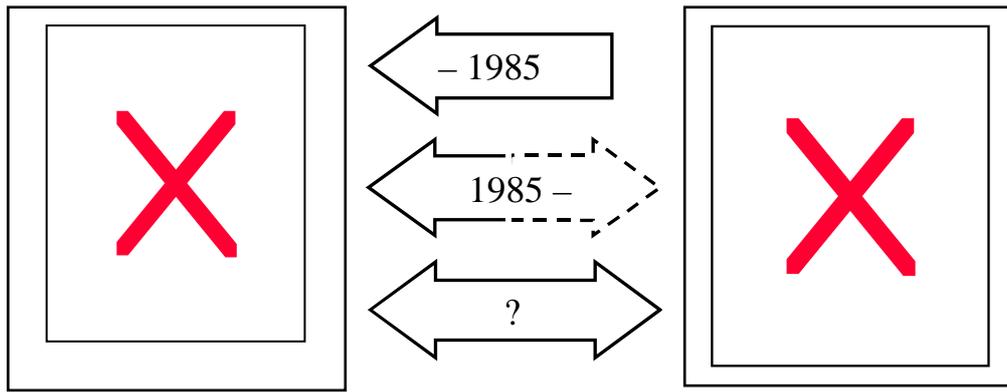
Figure 2. The phases on business-nature relationships.

If we theoretically model the business-nature relationship from the past through the present to the future we end up with a trilogy of Weberian sense ideal-types. As ideal-types the three phases of business-nature relationships are theoretical constructs and generalizations that are used to capture the reality and make it more available for scientific analysis.

The first ideal type describes the traditional business-nature relationship that lasted from the beginning of modern business roughly to the mid-1980s. Even though corporations were forced to make some changes to their operations, especially after the environmental concern of the1960s, the changes made were more or less trivial since corporations did not incorporate the new logics of behavior. The traditional perspective of business world to natural environment was thus one-way: *how can we maximally exploit and utilize the natural environment.*

The second ideal type describes business–nature relationship roughly from the mid-1980s to the present. During the era of modern environmental management from the mid-1980s, corporations moved into what might be called as 'one-and-a-half-way' relationship with natural environment: *how can we maximally exploit and utilize natural environment, and at the same time minimize our environmental impact.* The one-and-a-half-way orientation represents an important change in corporate behavior since now environmental issues are considered important and corporations are internally motivated to reduce their environmental impacts as far as it is economically rational.

The third ideal type, which for now is only speculation and hence tentative, is a two-way perspective which would eventually lead to bridging the gap between business activities and natural environment. In terms of sustainability the two-way perspective would be defined: *how can we maximize our profit by following the rules of sustainability.* In the two-way business-nature relationship economic rationality is no longer superior to ecologic rationality and what is considered to be economically rational behavior is thus redefined from the basis of sustainable development.

But then again, what is sustainable development? It is clear that sustainable development is a highly problematic concept that has been defined in countless different ways, often based on the definer's own interests (see e.g. Gladwin et al. 1995; Kallio 2002). Sustainable development has often been accused to be fraud or "doublespeak" since economic growth is given a central role in preventing environmental degradation (Purser et al. 1995). It is actually impossible to know when the development would be

ecologically sustainable since we currently understand only a fragment of nature's extremely complicated processes. Moreover, sustainable development cannot be regarded as a possible outcome but instead as a continuous process.

"Sustainable development is a Holy Grail that does not exist. It is a legend, a myth. But like every myth, though untrue, it serves a purpose. … [S]ustainable development cannot be defined as a certain state of society that will result by adopting specific, definable policies or individual behaviors. It cannot be a social goal. You might think that if you don't know where you are going, any road will get you there. To travel without a destination is to travel aimlessly. However, sustainable development is the journey – not the destination…" (Harrison 2000, 99)

Usually there are some basic characteristics presented for sustainable development: firstly the mutual sustainability of ecologic, economic, and social factors, secondly an attempt to guarantee the similar rights to live a healthy and meaningful life for people both in developed and undeveloped countries, in present and in future. It is however clear that there are interpretations out of sustainable development that are mutually exclusive, and consequently sustainable development has often been separated into "weak" and "strong" or "conservative" and "radical" versions (see table 1).

Fault Lines on Contestation	Conservative Sustainable Development	Radical Sustainable development
Degree of Environmental protection	"Weak" Permits trade-offs between economic growth and protection	"Strong" Acknowledges intrinsic values in natural environment
Equity (intragenerational and intergenerational)	Nonegalitarian Accepts limited global redistribution	Egalitarian Recognizes global maldistribution of wealth and responsibilities to future generations
Participation	"Top-down" Participation is limited to implementation stage Of instrumental value only	"Bottom-up" Directed to both objective-setting and policy-implementation Of intrinsic value
Breadth of Subject Area	Narrow interpretation Restricted to the maintenance of the resource base	Broad interpretation Includes both the maintenance of environmental integrity and sound human development – "quality of life issues"

Table 1. Sustainable development: alternative interpretations (Davidson 2000, 29).

Perhaps the most important difference between the weak and strong sustainable development interpretations is the perspective on trade-offs between natural and human-made capital: whereas weak sustainable development accepts the trade-offs between natural and human-made capital the strong sustainable development does not. (Ayres et al. 2001). Importantly, this is also the main difference that stands between the one-and-a-half-way and the two-way business-nature relationships. As far as it is believed that the increase in human-made capital (i.e. money, cars, buildings etc.) could somehow replace the decrease in natural capital (fresh air, clear water and land etc.) the development is inevitably unsustainable since the economic rationality dominates the ecologic one. Hence there is a motivation to reduce environmental impacts only as far as it is considered to be economically rational.

Motivation-bases of business-nature relationships

It can be argued that it is in fact impossible for corporations to move into a new two-way business-nature relationship since currently there is no suitable motivation-base for executing the changes needed in a way that would be economically rational. Thus if a single corporation behaved on the basis of strong sustainable development the corporation would sooner or later, probably sooner, put itself out of markets. This thesis is elaborated later on, but to understand what the motivation-bases could be in the first place, we need to take a brief look at what are/were the motivation-bases behind the one-way and the one-and-a-half-way business-nature relationships.

When we take a look at the one-way business nature relationship, it is obvious that for decades there was no reason to even stop to ask whether there was legitimization to be found for the ways in which corporations operated. After the Second World War the technological development winged mass production into huge proportions, and the western way of living was determined by consumption, material wellbeing, and growing individualism (Massa 1998). The development benefited even the lower social classes. However, the environmental protest of the 1960s led to intense debate in favor of and against the economic growth. Continuous economic growth was considered to be impossible in a limited world, and hence a zero-growth scenario was suggested. This new interpretation was supported especially by the report of the Club of Rome (1972).

As a consequence of environmental worry new environmental regulations were established, but even though there was a wide societal consensus about the undesirability of environmental changes, the environmental issues still remained secondary compared to other societal questions.[i] At the same time the business world strongly opposed any environmental regulations, zero-growth scenario, as well as any attempt to slow down the economic growth. The motivation-base to maintain the traditional one-way business-nature relationship obviously grew out of the unwillingness to question business-as-usual. And once again, why should the status quo be questioned since economy was growing, and the economic growth was the key to (material) well-being? The answer lies, of course, in the societal legitimacy. Thus, the motivation-base of one-way business-nature relationship, *securing the economic growth* (which of course benefited the corporations as well), worked as a drag preventing business from moving into a new business-nature relationship in a situation where in fact motivation-base to new business-nature relationship existed.

The motivation-base of the one-and-a-half-way business-nature relationship is more complicated than that of the one-way. The origins of it, however, can quite easily be traced for example from the following Schot and Fisher's (1993, 8) citation of Loudon, president of AKZO "History shows us that no industry has survived a permanent conflict with society. Dialogue, adjustment, and cooperation are therefore not a luxury but a necessity." Thus, to maintain the societal legitimacy a new business-nature relationship was needed, or to put it in other words, the old motivation-base was no more enough to secure the corporate goals. But if it had been just about societal legitimacy, why did the change not take place already in the 1970s, but instead in the mid and late 1980s and early 1990s. The answer is not unambiguous but rather a combination of multiple factors, and thus there is no single motivation-base for the one-and-a-half-way business-nature relationship.

Firstly, the decade brought along a number of new important environmental problems, notably ozone depletion and climatic change, and environmental catastrophes such as the leak of methyl isocyanide at a Union Carbide plant in Bhopal, India, in 1994, the Chernobyl nuclear disaster in the Soviet Union in 1986, and the Exxon Valdez oil spill in Alaska in 1989 (see e.g., Buchholz 1998), to mention but a few factors that led to an even stronger environmental worry among citizens. Secondly, the decade also brought a new kind of optimistic environmentalism associated with the concept of sustainable development. Unlike the zero-growth scenario of the 1970s the economic growth and environmental protection was interpreted mutually consistent in sustainable development; quite often the economic growth is even considered to be indispensable for sustainable development. The new environmentalism naturally offered fertile grounds for businesses to operate.

But this is not all. Since an important number of consumers were obviously interested in environmental issues there were markets for "environmental friendly" products as well. There also existed examples of pioneering corporations such as 3M. And of course it is a well-known fact that there are innovative consultants and that the nature of the management genre is fast changing. Considering these facts together it is peculiar that it took roughly twenty years for most companies to realize that environmental issues could be turned into competitive strategy and advantage, while many corporations are still losing their resources and opportunities by fighting against environmental regulations (Porter – van der Linde 1995). As Porter and van der Linde (1995) suggest, corporations need a regulatory push the see the business opportunities. Or as was mentioned earlier, the motivation-base of one-way business-nature relationship was, and for some still is, too strong to see anything else but business-as-usual.

There are several more elaborated explanations concerning for example the stakeholders that push corporations to green than that presented in this analysis (see e.g. Starik 1995; Stead – Stead 2000; Bansal – Roth 2000). However, for our purposes it is enough to find the paramount motivation-factors that operate behind the one-and-a-half-way business-nature relationship. Briefly, these are *the institutional and competitive pressures* (see also figure 1). Institutional pressures are a more elaborated and comprehensive perspective on societal legitimacy. Coercive, normative, and mimetic institutional pressures (DiMaggio – Powell 1983; Powell – DiMaggio 1991) can be used to explain why corporations go green, whereas institutional theory has an important

explanatory power to other corporate greening issues as well (Gladwin 1993; Jennings – Zandbergen 1995; Welford 2000).

Competitive pressures are to some decree linked with the mimetic institutional pressures while there is, however, an obvious tension between the institutional theory and the strategic management perspective as such. From the perspective of institutional theory it is highly questionable whether corporations actually are able to execute their strategic intentions, and to what extent, since the institutional pressures significantly reduce their "freedom". There is of course a substantial amount of literacy about environmental strategies that seem to resume otherwise (see e.g. Reinhardt 1999). In any case, when it comes to environmental issues, it is clear that corporations face an important competitive pressure from other corporations.

Some have suggested that there would be a third motivation-base for corporate greening besides the institutional and competitive pressures: business ethics or corporate citizenship. While it is possible that in some cases ethical aspects in fact could explain corporate greening, it is clear that the basic premises of market economy just do not allow altruistic behavior to a large extent, and therefore ethical aspects are relatively unimportant motivations in the real world, especially when compared to those of institutional and competitive pressures (see e.g. Bansal – Roth 2000; Kallio 2002). Thus, seemingly ethically oriented or altruistic corporate behavior that deviates from the general market behavior, such as that of The Body Shop's, can be interpreted as a clever business strategy. Accordingly, it is possible for businesses to run only as far as their operations are economically viable, which does not in any case mean that they would be unethical as such. However, purely ethical or altruistic explanations posses only relative small explanatory power when we look at the big picture of corporate greening.

The modern environmental management practices built on the prevailing one-and-a-half-way business-nature relationship has lead some academics to argue optimistically that we could in fact currently achieve sustainable development. This is of course not the case, and the misinterpretation is based either on wrong assumptions concerning the logics of market economy or then the concept of sustainable development is understood rather loosely, i.e. as weak sustainable development. When the premises of the motivation-base of the prevailing business-nature relationship are understood correctly, it is clear that the current pattern of the growing material consumption combined with the growing number of consumers is impossible to turn into an ecologically viable path. Therefore in the current situation the one-and-a-half-way business-nature relationship will not lead into sustainable development, and we thus need a two-way orientation.

Before we enter to speculate on the possible motivation-bases of the two-way business-nature relationship we need to once again take a look at the motivation-base of the one-and-a-half-way business-nature relationship, this time from another perspective, however. Just as the motivation-base of the one-way business-nature relationship worked as a drag preventing the shift into a new business-nature relationship, the motivation-base of the one-and-a-half-way business-nature relationship can delay or even prevent the shift into the two-way relationship as well. Firstly, as stated earlier, institutional pressures considerably limit the possibilities to adopt new behavior. Secondly, competitive pressures effectively prevent more ethically oriented behavior as well as any behavior that does not maximize the short-term profit making (Crane 2000). The motivation-factors of prevailing business-nature relationship could therefore be

extremely problematic due to sustainable development. However, unlike in the 1970s, currently there is no motivation-base to build a new business-nature relationship on, at least not yet, even if the business world could somehow disengage from the old one.

It was argued earlier that it is impossible for corporations to move into operations or behavior compatible with the two-way business-nature relationship since due to the lack of suitable motivation-base they would put themselves out of markets. Hence, for corporations to move into behavior compatible with sustainable development either a new motivation-base(bases) must emerge or some other important factor has to materialize. As we know there are a number of more or less standard "rabbit-out-of-hat" solutions that would miraculously save the world from the imminent environmental catastrophe, usually in a way that we would not even have to significantly reduce our well-being. It therefore seems that every suggestion, whether that is technologically, morally, economically, politically/legally, or post-industrially oriented, is at this point forced to include at least one utopia variable in the scenario. Even though these are obviously utopias and hence all of them incorporate important defects as well, they could also open interesting possibilities for a new motivation-base(bases), thus further making it possible for the two-way business nature relationship to materialize. Detailed defining and evaluation of the suggestions or theories are naturally impossible here, but the paper points some key ideas as well as the major problems and shortcomings of these utopias.

In the case of *technology oriented* proposals the utopia variable is a some kind of super technology that does not, and probably will never, exist. The argument goes that if our technology would develop, or rather experience a quantum-leap, we would no longer have to worry about environmental problems. One of the standard solutions, borrowed by science fiction, is the pollution free fusion energy technology that would produce endless power. In the case of technology utopia the one-and-a-half-way business-nature relationship could continue since the change in technological framework would turn the development into a sustainable path.

Perhaps the biggest problem in the technology oriented suggestions is the timetable: environmental problems are acute and technological development takes time. Moreover, it is obvious that powerful corporate interests (such as those of the oil companies) drag the technical development: one should ask why our cars still run on fossil fuel, while there would be better technology available already, or at least there would be if there had been enough will. It is also clear that most people seem to overestimate technology's possibilities and are more optimistic and count more on technological breakthrough than engineers and physicians themselves. It is also worth reminding that it has been convincingly claimed that in late-industrial society technological development is actually turning into production of risks, and one of the main ideas of the reflexive modernity is that since problematic technology is replaced by a newer technology the possible risks are possibly multiplied as well (Beck 1992).

In *morally oriented* explanations the utopia variable is usually some kind of enlightenment of man. Here the new motivation-base for the two-way business-nature relationship would be organized by the enlightened consumer who would e.g. pay premium for environmentally friendly products, would not fall into free-riding, and would continuously demand more sustainable products and truthful information concerning the products. When there would not be ecologically sustainable products

available the enlightened consumer would restrain himself from buying and thus the production would eventually turn sustainable.

The problems of this utopia are obvious. The moral enlightenment of man has been waiting for its coming for thousands of years, without any evidence that we would be in some way any nearer to it than we were two thousand years ago. Simplistically, while democracy and other signs of more civilized group behavior have emerged recently, this is probably more an effect of technological development which has made it possible to raise the level of affluence and education in traditionally lower social classes, than a sudden sign of enlightenment. Characteristics of man such as egoism, anthropocentrism, and short-termism are still prevailing, and market economy system is obviously nothing more than laws of jungle brought into modern society, everybody's war against everybody in Hobbes' terms. There are wars, rapes, torturing, terrorism, racism, injustice and even mass destruction as there have always been. And why would not there be? From the perspective of evolution it is simply impossible that the characteristics that have been there for tens of thousands of years would suddenly disappear or change, it would be unnatural (Morris 1967).

Economy oriented explanations, notably neoclassical economics, sometimes draw extremely complicated models and scenarios about how market economy (the invisible hand) will solve all the problems. Here the environmental problems are solved by market mechanism that will increase the prices of scarce products and find substitutes to replace them. The one-and-a-half-way business-nature relationship could therefore continue more or less intact and the environmental problems would still be solved if the competition would be perfect. All regulations that erode free competition should be eliminated.

While most of the economy oriented suggestions are less extreme and naïve than that presented above, neither is the "economics of madhouse" just a myth. The radical and less radical economy oriented explanations share the same basic flaws. The first is the problem of externality. Excluding raw material, the other elements of nature, and most important of all nature as such, are more or less externality for the market mechanism. In other words markets are unable to give a reasonable price for the nature and other entities without proper market value, and to further include them in the market mechanism as relevant variables and parameters. While this is obviously a fundamental limitation of neoclassic economy, there are other important limitations for economy oriented suggestions as well. These include e.g. perfect knowledge, rational behavior, economic short-termism, and the tragedy of commons. Even though these problems could somehow be solved in the researchers' champers, it is obvious that the real world just does not work like the economists assume in their theories, and the system will eventually need a societal intervention.

The *politically/legally oriented* proposals suggest that by well-designed environmental policy what remains currently more or less outside could be brought inside. Hence, if corporations and markets are unwilling to internalize the ecological perspectives and operate in an unsustainable way, eventually the legal imperatives will force them to change their operations. Accordingly, here the two-way business-nature relationship would be achieved through societal intervention.

It seems that most environmental researchers are more or less skeptical about corporations' possibilities to internalize the environmental issues in a way that would lead into a sustainable development, and therefore see the legislation and state intervention as necessary. It is only reasonable to say that societal intervention is needed, and after all where would we be today without environmental legislation? But how far can the state say what people and corporations must do without compromising the free society. There is clearly a real danger of slipping from democracy into a command system. Another problem, often overlooked, is that the legislators today in our political-economical system are not even able to make decisions demanding enough, not to mention executing them. It is said that politicians have already tied down their hands from the most demanding decisions when trying to get into parliament, and that politicians' interests encompass only to the next elections, which is why they are unable to commit themselves to far reaching decisions which would be extremely expensive and which would benefit only other politicians in future. (Jänicke 1990; Massa 1995). It is also clear that today the national state is no more a match for multinational mega-corporations, economically bigger than the state. For being able to retain corporations in their own country in global economy where it is easy to change place, national states have to accept corporate requirements (Soros 1998; Korten 1995).

The *post-industrial oriented* proposals suggest that as a consequence of normal "societal evolution" the economic growth takes increasingly place in the fields that are more sustainable. Software production, telework, internet and other immaterial experiences etc. allow economy to continue its overall growth without compromising the environmental values and sustainability. Thus, the two-way business-nature relationship eventually takes place trough natural development.

There are two major shortcomings in post-industrial scenarios. Firstly, they are unable to adequately explain what would happen to billions of (third-world) poor people who are currently starving and waiting for their turn for material consumption. Whereas citizens in the west are moving, presumably, towards information society where material consumption is allegedly smaller, the ever-growing numbers of people in developing countries outweigh this environmentally friendly development manifold by their growing material consumption and contaminating industry. Secondly, while there are indeed signals that economic growth increasingly takes place in the software, information-technology and other less materially oriented fields, the traditional material consumption has still steadily grown even in the developed countries.

Some of the utopias presented above would in theory pave the way into ecologically sustainable development even inside the prevailing business-nature relationship. However, it is only fair to say that these are more fiction that reality. Whereas the shift from the one-way to the one-and-a-half-way business-nature relationship succeeded due to combined institutional and competitive pressures, it is clear that there is no such suggestion or combination of suggestions for relevant motivation-bases that would be probable enough to enable the shift from the one-and-a-half-way to the two-way even in theory. While there is obviously no philosopher's stone to be found that would lead the mankind into an ecologically sustainable path, there in no reason to fall into pessimism either. As social scientists our task is to strive for understanding on how the society constitutes its being, how the basic assumptions change into values and further artifacts, and makes, and through what kinds of processes, the imminent environmental catastrophe change our values and basic assumptions. Only by understanding better the

complicated processes that lead into environmental problems are we able to alter our future.

The constitution of business-nature relationship

It is far beyond the scope of this paper to even try to describe all the complicated processes that manifest and materialize human-nature relationship. It is, however, possible to sketch the main-structures of the framework through which business-nature relationship is constituted (see figure 3).
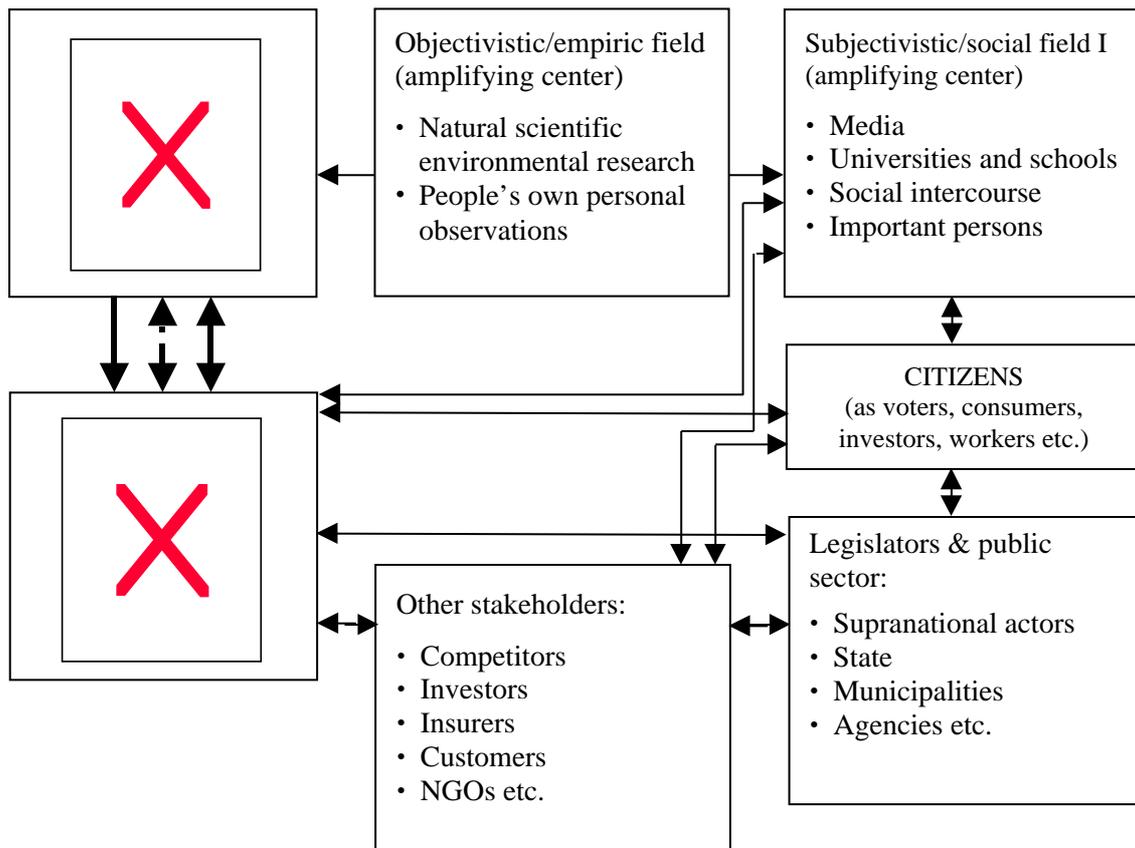

Figure 3. The cycle-model of constitution of business-nature relationship.

In figure 3 the frame presented earlier in figure 2 is connected into a more elaborated field of societal institutions and actors. The cycle-model of constitution of business-nature relationship is next briefly examined.

The information concerning the environmental changes is without exceptions produced by natural sciences. For example, without natural sciences we would not even know about the ozone depletion or the greenhouse effect, and thus the information about environmental changes obviously originates from empirical investigations. The knowledge produced by the natural sciences can be further documented by people's own experiences, even though most phenomena are too complicated to discover without proper technical instruments and scientific education. This field can be called as objectivistic since the methods of natural sciences are independent from the

subjectivistic interpretations while researchers naturally debate on complicated phenomenon such as the greenhouse effect.

Two of the fields in figure 3 are called amplifying centers since they have to "charge up" before the next phase in the cycle of the constitution process can begin. Natural scientists do not rush in to proclaim publicly their findings before they know that what they have found is not just an illusion. Moreover, it is possible that scientists know that there is a particular, possibly even an important, change in the state of environment, but if the next field is not ready to receive the information (the charging is not high enough to start the next phase of the cycle) the information remains more or less in the objectivistic field, and the observed environmental change will not change into an environmental problem. The process is accelerated if the environmental change is concrete, observable by or otherwise "close" to average people, such as pollution of drinking water. In proportion, it is possible that the abstractivity and complicatedness of an environmental change, such as that of the ozone depletion's, can constrain the charging. The level of charging is therefore not proportional to the importance of the change.

When the objectivistic/empiric field has charged enough the subjectivistic/social field I starts to charge. This is in most cases a notably faster process than that of the objectivistic field, and usually media instantly report the new findings to the masses. It is, however, possible that the great public is not ready or interested enough to receive the information, and the social field I thus continues to charge up e.g. in a social intercourse of "intelligentsia" and universities. The affect of celebrities might be an important factor in charging up the field as well. The charging of the field is not based on first hand empiric findings nor is it objectivistic and thus the field is called subjectivistic/social. After the field has charged up, through the media the general public receive the information. An environmental change is socially constructed as an environmental problem in this social/subjectivistic field II, which all the fields in figure 3, excluding nature, belong to. According to social constructionists, the state of affairs becomes a problem only after it has been recognized by a group societally big and important enough. When new problems emerge, the old ones usually lose their attraction and start slowly losing their position (Suhonen 1994).

It is in the social/subjectivistic field II where the business-nature relationship constitutes and begins to manifest. In figure 3 there are corporations, corporate stakeholders, citizens in their different roles, the public sector, media, and universities – obviously a simplified model of societal reality and actors. In an extremely complex societal process (societal discourse) the fundamental basic assumptions' layer and societal values' layer constitute and manifest into a business-nature relationship (or into the motivation-base for business-nature relationship to be more precise) that further materializes into pollution in corporate operations which cause the environmental changes that natural scientist observe and verify. The cycle is complete, and a new cycle is ready to begin.

The evolution of a business-nature relationship is an extremely slow and complex process. It is clear that the prevailing business-nature relationship will not change if the charge in the social/subjectivistic field II is not high enough to produce a new motivation-base for the new business-nature relationship. For the time being the process described above has led into a single change in business-nature relationship, that from the one-way to the one-and-a-half-way. When alarming information concerning the

environmental changes accumulates in the social/subjectivistic field II, an intensified societal discourse takes place between the different actors and institutions. This leads into more stringent regulations, more environmentally available consumption, more intense competition between corporations, new and more intense demands by the NGOs, insurers, lenders, investors etc. As a consequence, little by little the field charges up. It is however impossible to say exactly when there is a motivation-base strong enough to build a new business-nature relationship. Furthermore, as was suggested earlier, it is possible that corporations remain in the old business-nature relationship even though there in fact would be enough grounds for a new orientation.

The societal discourse affects and changes not only the operations of institutions described above but also the reality of individuals as well. This happens through a dialectic processes that sociologist have described. Accordingly, individuals not only create the societal structures and reality but the societal structures and reality also affect – create one might say – individuals. This is the other side of the constitution process of business-nature relationship. It is by no means less important than the institutional side, but still it is often forgotten especially from the analysis of non-sociologist environmental researchers. It is in fact here in the dialectic movement between individuals and society, where the societal reality is created and where the human-nature relationship and consequently the business-nature relationship are created. Therefore we need to try to understand more about it. This is, however, beyond the scope of this paper, of course.

Conclusions

The paper has constructed a theoretical framework for a business-nature relationship. The general theory on business-nature relationship is suggested to consist of three interconnected parts: on the theory of phases, on the theory of motivation-bases, and on the theory of constitution. All the theoretical constituents are still no more than sketches and thus tentative. Several important perspectives have received only a few paragraphs in this paper, others even less. Even as unfinished, however, the framework offers important insights into the overall picture of corporate greening, currently lacking from organizational studies. The implications of the theory of business-nature relationship are thus multiple.

Firstly, the theory of business-nature relationship offers a potential backbone to organizational environmental studies in general, a skeleton where both empiric and theoretical research can be built on. There is already empirical evidence on how the paradigm shifts take place in corporations (see e.g. Halme 1997), while the overall theory of corporate greening has remained more or less nonexistent. Secondly, the theory of business-nature relationship offers ground for linking the organizational environmental studies more deeply into the wider social scientific environmental discourse. Thirdly, the theory of business-nature relationship possesses an important explanatory power for several important questions concerning the corporate greening. In addition, after more theoretical and empiric knowledge has been built on the business-nature framework, the explanatory-power naturally increases as well.

It is clear that by studying even a fragment of the theory of business-nature relationship one could easily spend a lifetime. It should be thus emphasized that the theory of

business-nature relationship is a general framework never being finished since the societal reality as well as environmental changes are in constant movement. Significantly, however, much of the knowledge needed to build up a deeper overall picture and more elaborated understanding already exists, and the knowledge just waits for an adequate theoretical back-bone to be combined with. The idea of the general theory of business-nature relationship originates from the idea to produce the needed framework.

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i Based on O`Riordan's (1976) hierarchy, the traditional and most important role of the modern western national state was to secure its national safety, general health, and economic growth and employment. The second category includes issues such as distribution of incomes, regional development, and equal societal possibilities. Ecological questions belonged to the third and least important category.

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