

CAN ECO-BUSINESS PROTECT THE ENVIRONMENT?

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In a 'Sustainable' society there should not be any particular business called 'eco-business', but all human endeavours should be eco-friendly. Since conventional approaches to achieve sustainability through command and control mechanism have failed, world is now beginning to adopt more voluntary approaches that are generally skewed towards economic instruments. Eco-business is one of the major strategies that harnesses the economic power—the strength of investors, consumers, business and the market place, to create an environmentally responsible and socially just society.

Though this concept is believed to have a lot of advantages, there is a danger that it can be manipulated by extremists, both environmentalists and developers, to achieve their strategic goals. On one hand, environmentalists may follow an extreme ecocentric approach and expect eco-business to be absolutely free from environmental impacts, which may not be economically viable. On the other hand, industrialists may fall in line or have some link with the green perspective in order to derive a strategic advantage. But, in effect, such a strategy may become questionable since their participation is not on genuine grounds. Both these may lead to the collapse of the concept.

The challenge of the promotion of eco-business is to identify ways and means that render its own sustainability without falling into the extreme non-viable ends. This becomes difficult since the problem of clarifying the margins of environmentally-friendly goods and services is yet unsolved. Furthermore, in the case of Sri Lanka, there is no sound institutional framework that can absorb eco-business to the existing economic system.

This paper attempts to present a precise definition of eco-business and investigate the use of the eco-business concept as a pragmatic approach to protect the environment through promoting eco-business capable of bringing about a balance between the two competing forces, viz., the industrialist's relentless pursuit to maximize profits as against the preservation of the natural environment. It also discusses the extent to which the eco-business concept is applicable to Sri Lanka, and the loopholes that exist in the existing regulating mechanisms. Finally, it presents a framework for implementation.

The paper claims that the introduction of 'student-owned and operated companies' (in the school system) is an effective means of promoting the 'Environmentally-friendly Business' concept in Sri Lanka. A step-by-step *modus operandi* of the student-owned companies is presented in order to test the framework. Market potential of eco-products, particularly the consumer preference is presented based on data derived from a sample survey.