



## ***Bridging justice, sustainability, and prosperity***

*"Be the change you want to see in the world." Gandhi*

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## Introduction

We face a world full of risk. The COVID-19 pandemic highlights how climate change and human interaction with the environment demands a holistic commitment to sustainability and nature conservation. Furthermore, the post-pandemic world is likely to be filled with uncertainty and major socio-economic shocks. We were already seeing an ebbing of the global trade, finance and productivity boom brought by globalization up until the nineties. Geopolitical rivalry between East and West coupled with trade tensions cast doubt on the globalization paradigm and impact financial and trade flows. Capitalism is vulnerable and multilateralism fragile.

Now is the time to focus on reducing risk, increasing resilience and bringing about meaningful change. We need a new approach to internationalization with sovereignty based on solidarity and subsidiarity. Democracy and the rule of law need to be revisited at different levels.

This requires innovation. Social entrepreneurs and institutional startups can break silos and forge partnerships based on holistic and integrated efforts on the ground, across institutions, with the public and private sector ***bridging justice, sustainability and prosperity***. Globalization has shown us that we share the same world, the same oceans, the same atmosphere - everything is connected. Solutions to unconventional sustainability challenges and social investments are the now and the future. There is no room for political naivety. There is need for real change.

We need to understand the global and regional context, examining ***democracy, liberties, sustainability and climate challenges***, in the search for ***a sustainable path***. That means ***true change, moving beyond simply the social contract to a green new deal***. A new institutional start up model, private in essence but for public interest, offers the innovation needed to achieve justice, sustainability and prosperity.

## i. Why an Institutional Start-Up?

The capacity of political and institutional frameworks to adapt to change has and continues to be limited. In the light of new global challenges, different approaches and cutting-edge solutions are needed.

While the lines have blurred somewhat, the classical divisions between social, for profit and nonprofit sectors, and between the public and private interest have not helped the cause of a unified sustainability agenda. This is mainly due to the increased dependency and expectation of funding under technical assistance and cooperation from developing countries. Channeled through governmental and non-governmental organizations in the past, it was certainly helpful in policy making and setting up the vast legal-institutional framework in place for sustainability. But now the region has passed that stage. There is no time to wait. Social entrepreneurship must be encouraged to secure social and environmentally responsible investment that is self-sufficient and continuous.

The private sector and business cannot ignore the public interest anymore. They are required to go the extra mile and be socially and environmentally responsible beyond simply legal compliance within a broader sense of justice. In this regard, the modern judiciary beyond resolving legal conflicts among individuals, is expected to be the guarantor of democratic and sustainability values in a society facing an ethical and moral challenge. It is a new paradigm that requires every business investment to operate not only based on clear objectives, but also on principles.

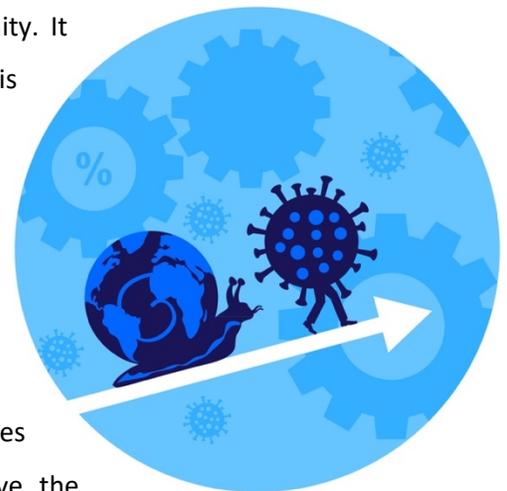
But what is an institutional start-up and what can it do for sustainability? It's a new model, private in essence, operating for public interest, transitioning values across sectors, and strengthening commitment, knowledge, entrepreneurship and justice to achieve sustainability goals for governments, academia, business and the people.

An institutional start-up is an impartial stakeholder and neutral broker, seeking to bridge the public and private agendas, setting trends by revisiting traditional notions of Democracy and rule of law, within a holistic and integrated effort on the ground, and across all sectors to generate responsible investment for public and private institutions.

An institutional start-up has the capacity to help stakeholders reach their full potential to responsibly address climate and sustainability challenges within their individual and differentiated capacities, with a new approach to internationalization with sovereignty based on solidarity and subsidiarity. This is what the Inter-American Institute on Justice and Sustainability (IIJS) brings to the table: a hemispheric platform with a global scope and in country expertise, with science-based and multidisciplinary perspectives to motivate, innovate, and strategize for change.

## ii. The Global and Regional Context

Almost two centuries ago, the Industrial Revolution transformed humanity. It delivered progress and innovation, but we now realize that its the path is unsustainable. Inequity and poverty based on intense capitalization with low redistribution forced States to step in and regulate social conditions. Intensification of industrial processes led to much higher natural resource extraction rates and pollution. This stoked underlying social tensions and remains a vital challenge in the 21st Century.



These problems have become more complex. Poor production practices pressure ecosystems contribute to climate change and fail to improve the livelihoods of rural communities. The norm now is fractured societies without the communication capacity needed to build cohesion and a social compact. Confrontation and segmentation are used as political tokens. We see increased conflict and judicialization of social-environmental issues that transcend national borders.

In the face of these unconventional challenges, we need a unified perspective of prosperity based on the role of justice and responsible investment for a sustainable future.

### iii. Democracy and the Climate

Democracies require negotiation, compromise, and concessions. That means an “us” mentality, not “us versus them.” To build a sustainable future, the most important task is to strengthen institutions by reconfiguring the role of a democratic society for the Anthropocene. We no longer have inexhaustible natural resources. Information technology has brought us closer to those far away but often further away from those right next to us. Negotiations and concessions are impossible when individuals are isolated.

The threats we face are no longer distant enemies in a cold war. They are pressing and immediate. We face multiple threats and an economic system that continues to fuel growth, but also inequality and environmental exhaustion. We’ve come to accept the idea that conflicts are part of business as usual. Societies have traded peace for prosperity.

The international community has embraced the sustainable development discourse. But it has remained, that: a discourse. A lot of rhetoric, and much less policy and action towards reconfiguring production systems, investment and strengthening local communities under the sustainability framework.

Countries of the Americas have traditionally tied development to funding opportunities, neglecting their responsibility to mold a growth mentality and social resilience for transformational change. We see new commitments in the name of climate and sustainability, while at the same international compromises are weakened.

We need to rethink this problem. The climate crisis is multidimensional, and solutions should be as well. The necessary paradigm shift requires an inclusive approach to stakeholders and enablers. Democracy must be strengthened with a new sense of community and direction, addressing causality, protecting truth, and supporting the judiciary. Over time we have seen the judiciary become more than a mere guarantor of democracy, but also a steward of sustainability.

### iv. Climate and Sustainability Challenges

Scientists firmly and consistently warn us that life could drastically change due to the climate crisis. Unless temperatures remain below 2 °C above pre-industrial levels (and efforts are underway to limit the temperature increase to 1.5 °C) humanity will face catastrophic events that will jeopardize survival. In the Western Hemisphere, climate change responsibilities are unevenly distributed, and the contributions to climate change are not coherent with its impacts. We already see widespread ecosystem damage, water

insecurity, extreme events, and environmental health risks in the Americas from human induced climate change and pollution.

Notwithstanding efforts across the globe, the institutional capacity of developing countries remains limited. There are many plausible explanations: 1) poor institutional understanding of issues and scarcity of financial resources for structural change from a carbon-driven to a green economy; 2) Inability of policy makers - including decision makers in the private sector and politicians - to decode and translate scientific information into solid and simple messages that regular citizens can support; and 3) the lack of capacity of societal groups to build trust and reach purposeful agreements on how to modify current production systems capacity without disturbing employment, revenues and taxes.



If the COVID 19 crisis taught us anything, it is precisely that there is an urgent need to factor risk into how we think about and make daily decisions as nations, communities, and individuals. The severity of climate risk has been overshadowed by the global health crisis, testing all social and economic priorities and systems. Sadly, we see that modern society is not prepared for the risks we face at the global, regional, and local scale.

The idea that systems are independent is over. The high interdependence of shared systems requires attention to survival essentials. The transformation of ecosystems and land at the expense of biodiversity and nature's ability to support life cannot continue. For example, protecting and strengthening ecosystems in tandem with agricultural production will not only enable transformation of commodities into sustainable and decarbonized value chains, but also increase biosafety and food sovereignty. Rethinking agribusiness and connecting the dots to rural communities is a matter of survival.

The capacity to adapt to challenges will make the difference in cohesive development as nations. Policy frameworks and regulations must reflect a more value committed investment and trade regime. That regime must take advantage of the technological era by embracing limited biophysical capacity and the climate crisis.

## v. A Sustainable Path for the Americas: True Change from the Social Contract to a Green New Deal

The economies in the America's, are mostly resourced based. A significant source of employment GDP is correlated to SMEs'. The lack of value added in production and the high commodity dependence make sustainability more challenging compared to other regions.



Commodities are seen as the single most important economic asset. Most commodity sectors in developing countries from agriculture to mining, are afflicted by poor

production practices that lead to negative environmental impacts such as biodiversity loss, deforestation, carbon emissions, soil erosion, depletion of water resources and chemical pollution. That leads to low productivity.

At the same time, environmental health risks are driving consumers to change consumption habits to reduce their impact on the environment. Green consumerism, while often seen as a contradiction, could be a democratic path for behavioral change with the potential of fulfilling needs and wants, while maintaining the environmental well-being that does not endanger human health.

Weaknesses in the enabling environment limit change at a larger scale. Another limitation is conflict from perceived unfairness in productive systems and a sense of social and environmental injustice. Improving the enablers, democratic governance and policy frameworks while incorporating risk mentality and enhancing capacity for science based decision making and adaptability, will increase the chances of cross sector change towards a different environmental and socio-economic outcome that reflects a broader notion of justice. This means facilitating neutral spaces where stakeholders can collaborate on a shared vision and agenda for action. It means building public-private partnerships. Sharing what we learn through a growing community of practitioners will improve human rights, economic, social, and environmental performance across sectors and disciplines. Ultimately that will strengthen the rule of law and democracy.

Cooperation and solidarity should not just be for social benefits. We need to move towards achieving climate emission goals by investing in infrastructure to sustainably ensure prosperity and economic security for all. Cooperation at the same time, must maintain fairness for all communities and workers.

## vi. Conclusion

The IIJS was created to overcome segmentation and to support multi-stakeholders' efforts and roles on environmental and climate justice, as well as the sustainability of business, development, trade and investment practices based on solidarity, subsidiarity, and rule of law.

Key to this is a change in narrative, confidence and building the trust needed to develop common knowledge and add value. The IIJS proposal calls for building new leadership and supporting social, environmental, and human rights compliance. Since our future, as a region and as a planet, depends on the capacity to change assumptions, it aims to create a new mental model that fuels the conversion to a broader notion of justice, innovation and social investment, while forging partnerships.

In these times of unparalleled uncertainty, the IIJS offers cutting edge solutions to unconventional challenges by building paths across disciplines and sectors for ***bridging justice sustainability and prosperity.***

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