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Rehumanizing Profit

A Paradigm Intervention for Regenerative Futures

Discussion Paper II: Redefining Business

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This paper is part of a six-paper series that examines how regenerative economic systems can emerge by connecting systemic diagnosis (Paper I), conceptual redefinition of business purpose (Paper II), psychological preconditions for transformation (Paper III), practical tools for cultivating agency (Paper IV), and enterprise architectures capable of stabilizing these capacities in practice (Paper V), before examining the policy environments required for wider adoption (Paper VI).

Summary

If profit maximization is the designed cause of systemic harm, what is the redesigned alternative? Building on the systemic diagnosis developed in Paper I, which identifies profit-centric logic as a root driver of interconnected urban, psychological, educational, and ecological crises, this paper argues that meaningful transformation requires a paradigmatic intervention: redefining the purpose of business itself. The prevailing conception of business as a profit-maximizing entity is not a natural law but a historically contingent epistemic construct that functions as both cognitive and institutional infrastructure, shaping how economic actors interpret responsibility, legitimacy, and success.

In response, the paper proposes redefining business as an entity that solves social issues and creates social value in a financially sustainable way. This redefinition operates as a high-leverage systems intervention by shifting the foundational goal around which economic activity is organized. Rather than treating profit as the primary objective, it reframes profit as an enabling condition for sustained value creation, thereby realigning economic activity with broader social and ecological outcomes.

The paper examines the implications of this redefinition across four interrelated dimensions: business as a social problem-solving institution; planned obsolescence as a principle of responsible institutional impermanence; profit as a means rather than an end; and multidimensional and systemic social value. Together, these dimensions articulate a coherent organizational logic in which purpose shapes time horizons, time horizons redefine the role of profit, and both necessitate expanded approaches to evaluating value and success.

By intervening at the level of economic purpose, the paper offers a conceptual foundation for redesigning business as an institutional form capable of supporting human and planetary flourishing, thereby addressing the systemic harms diagnosed in Paper I.

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Contents

1 Introduction

From Diagnostic Imperative to Design Intervention

The preceding diagnosis concluded that the profit-centric paradigm functions as an 'invisible environmental designer', systematically generating harm across urban, psychological, educational, and ecological domains while creating reinforcing feedback loops that maintain systemic lock-in (Paper I). It demonstrated that this logic is not a natural law but a historically constructed one, and that its harms are stabilized by reinforcing feedback loops that render sectoral policy fixes and ethical appeals inadequate. The diagnostic logic thus compels a pivotal question: if the paradigm itself is the problem, what would replace the logic of the invisible environmental designer?

This paper aims to answer this question by arguing that the most powerful intervention point for systemic transformation is not found in new technologies, regulations, or behavioural nudges alone, but in the paradigm that organizes economic purpose. Consequently, the paper proposes not to reform business practices from within the existing logic, but to redefine the purpose of business itself. Redefinition constitutes a high-leverage systems design intervention: by altering the foundational goals and success metrics encoded in our core economic concept, we can recalibrate the downstream institutional architectures (e.g. governance, finance, urban development, education) that currently reproduce harm.

Mounting evidence indicates that profit-centric corporate governance—what Paper I identified as an invisible environmental designer—systematically externalizes social and ecological costs. The persistent failure of sustainability initiatives to alter these trajectories suggests that treating social and environmental health as secondary criteria to a primary financial objective is a fundamental design flaw. Rather than attempting to mitigate this flaw through ever-more-complex add-ons, this paper contends we must correct it at its conceptual source. it therefore advances and rigorously unpacks a new definition: business as an entity that solves social issues and creates social value in a financially sustainable way. This represents a paradigm shift in the cognitive and institutional scaffolding that shapes economic behaviour (Raworth, 2017; Stiglitz et al., 2018).

Such reframing shifts business from a private profit-extraction engine to a form of collective economic agency embedded within societal and ecological systems. The paper proceeds by first establishing the epistemic power of definitions illustrating that redefinition is both necessary and plausible. It then details the operational meaning of this new definition across four dimensions: problem-solving orientation, planned obsolescence, profit-as-enabler, and multidimensional social value. Finally, it traces the cascading institutional implications for governance, investment, scaling, labour, urban systems, and global equity, positioning this redefinition as a coherent scaffold for aligning economic activity with the long-term viability of human and planetary systems. By intervening at the level of economic purpose, this paper seeks to provide the conceptual blueprint for transitioning from a diagnosis of interconnected crises to the design of a regenerative political economy.

2 The Epistemic Foundations: Definitions as Design Parameters

To justify redefining business is to intervene in the deep architecture of economic thought. Building on arguments presented in Paper I showing that the prevailing definition of business is a contingent historical construct, not an immutable truth, this section establishes the two foundational pillars of that intervention: (1) that definitions function as powerful cognitive and institutional infrastructure that shape reality; and (2) that, consequently, deliberately redefining it constitutes a high-leverage strategic intervention into the socio-economic system.

2.1 The Power of Definitions: Cognitive Infrastructure and the Value-Action Gap

Building on Paper I's conceptualization of epistemic infrastructure, definitions are not neutral descriptors; they are active constituents of reality. Once institutionalized, conceptual framings structure perception, legitimize certain actions, and organize what is measured, rewarded, and ignored (Bowker & Star, 1999; Scott, 2014) and become the often-invisible cognitive and institutional scaffolding that guides collective sensemaking and behaviour long before conscious deliberation occurs.

Cognitive science and environmental psychology demonstrate that perception is a selective, embodied process shaped by prior schemas and environmental cues (Gifford, 2014; Kahneman, 2011). When the concept of "business" becomes culturally normalized as a profit-maximizing entity, this framing configures how actors intuitively evaluate trade-offs, define responsibility, and interpret success. This power is vividly illustrated by the persistent value-action gap in sustainability (Kollmuss & Agyeman, 2002). As diagnosed in the preceding paper, individuals and organizations often express strong pro-social or pro-environmental values while continuing behaviours that contradict them. This gap is frequently misattributed to hypocrisy or ignorance. However, research shows it is a predictable outcome when institutional affordances, economic pressures, and perceived norms shaped by the dominant profit-extraction paradigm reward behaviour that contradicts stated values (Michaels, 2008; Steg & Vlek, 2009). The current definition of business, therefore, does not just describe an economic entity; it creates an epistemic environment that systematically narrows the field of possible and legitimate action, making extractive behaviour appear rational and alternative actions appear risky or utopic. Critically, this powerful epistemic environment is a historically recent construct, not a natural state, and is therefore open to change (Paper I). If definitions structure what is seen as possible and legitimate, then altering them becomes a strategic intervention at the deepest level of system design.

2.2 Redefinition as a High-Leverage Systems Intervention

If definitions are powerful epistemic infrastructure and the current one is a harmful yet contingent construct, then intentionally redesigning it becomes a legitimate and strategic intervention. Systems theory identifies paradigms, goals, and the rules of the system as the deepest and most powerful leverage points for change (Meadows, 2011). Changing a paradigm—the shared set of assumptions from which the system arises—has a transformative effect because it reconfigures the goals, feedback loops, and structural incentives of the entire system.

Redefining business operates at this paradigm level. The dominant 'business = profit engine' functioning as an invisible environmental designer sets the foundational goal (financial maximization) from which all other system elements flow. By altering this core definition, we can intervene at the source of the system's logic, directly addressing

the environmental and cognitive lock-in mechanisms described in Paper I, Section 3. This is a systems design intervention that seeks to recalibrate the cognitive operating system of the economy. It addresses the value-action gap by reshaping the epistemic infrastructure itself, aligning the environment of incentives and legitimacy with regenerative, rather than extractive, outcomes (Felber et al., 2015). Because the current paradigm is both demonstrably harmful and historically constructed, its redesign is not only necessary but ethically imperative. The following section unpacks the operational design of this new paradigm by translating it into concrete organizational principles.

3 Unpacking the Proposed Redefinition

Having established that redefining business constitutes a high-leverage systems intervention, the next step is to clarify the operational architecture of this new definition. The proposed redefinition of business as an entity that solves social issues and creates social value in a financially sustainable way reframes business as a form of collective economic agency embedded in societal problem-solving, instead of a private profit-generating mechanism. Rather than treating social and ecological impacts as externalities to be mitigated after value creation has already occurred, the definition positions value creation itself as the primary purpose of economic organization, with financial viability serving as an enabling condition rather than a dominant objective.

This shift reorients how organizations interpret responsibility, legitimacy, scale, success, and accountability, transforming business from a narrowly conceived market actor into an institutional actor within wider social systems. Four interrelated and sequential dimensions clarify the operational meaning of this redefinition: (1) business as a social problem-solving institution; (2) planned obsolescence; (3) profit as enabler, not main objective; (4) social value as multi-dimensional and systemic. Together these four dimensions describe a coherent organizational logic: purpose defines time horizon, time horizon reshapes the role of profit, and these together require new ways of measuring value.

3.1 Business as a Social Problem-Solving Institution

Under the proposed definition, a business exists to address concrete social, ecological, and relational challenges, such as housing affordability, mental health resilience, food security, and climate adaptation, rather than to extract monetary surplus. This aligns with institutional economics perspectives that view firms as coordinators of collective action for social ends, not merely as profit engines (Hodgson, 2015; Mayer, 2024; Mazzucato, 2020).

A problem-solving orientation fundamentally shifts an organization's raison d'être. The primary question guiding strategy becomes not "How do we maximize financial return?" but "How do we contribute to resolving this specific societal challenge?" This reorientation has profound implications for how organizations allocate attention, structure incentives, and define success.

Crucially, this reframing implies a commitment to understanding and transforming the root causes of problems, rather than merely scaling market-ready solutions that address symptoms. When organizational purpose is defined by problem resolution, its deepest loyalty is to the condition of durable problem resolution, not to the perpetuation of any particular product, service, or revenue stream for market share. This stands in stark contrast to business models that inadvertently create the incentives to sustain the very problems they claim to solve, which is a dynamic well documented in development research, where solution-driven interventions can stabilize structural conditions that generate ongoing demand (Easterly, 2006; Hickel, 2020).

Examples abound across sectors:

- In health, systems oriented toward treatment profitability chronically underinvest in prevention and social determinants, leading to escalating disease burdens and cost spirals (Farmer, 2013; Marmot, 2020).
- In climate mitigation, technological substitution without addressing consumption patterns and inequality often produces rebound effects that offset efficiency gains (Wiedmann et al., 2020).
- In urban development, investments in “smart” technologies or green infrastructure can exacerbate displacement and unaffordability if underlying housing and land dynamics remain unaddressed (Anguelovski et al., 2022).

From a systems perspective, solving problems requires sustained attention to the causal feedback loops, institutional incentives, behavioural drivers, and power relations that

perpetuate dysfunction (Leach et al., 2010; Sterman, 2009). This entails investing in participatory diagnosis, long-term capacity building, regulatory reform, cultural change, and preventative infrastructures. These are measures that may not yield immediate commercial returns but are essential for durable transformation.

Global Majority scholarship reinforces this orientation, stressing that externally designed solutions often fail by neglecting local knowledge systems, political economy dynamics, and relational accountability (Escobar, 2018; Santos, 2016; Tandon et al., 2016). Effective problem-solving therefore depends on investing in locally embedded learning and collective agency, not replicating standardized models. Frameworks such as Latin American Buen Vivir, African relational ontologies, and Indigenous governance systems conceive of economic activity as embedded in intergenerational stewardship rather than accumulation (Gudynas, 2011; Kimmerer, 2020; Mbembe, 2017; Spiller et al., 2025).

By reorienting business toward problem-solving rather than solution-selling, economic activity becomes accountable for reducing the structural drivers of dysfunction. This protects the redefinition from being absorbed into impact markets that monetize persistent problems and ensures alignment with long-term emancipation over perpetual service dependence.

3.2 Planned Obsolescence

If business exists to solve a problem rather than to perpetuate a solution, then its relationship to time and permanence must also change. Investing in solving a problem, rather than perpetuating a solution, demands a fundamental reorientation toward time, growth, and institutional permanence. Regenerative enterprises are designed to become obsolete once their core social or ecological mission is fulfilled. Success is measured by the degree to which the organization renders itself or its' products and/or services unnecessary, not by its longevity.

This repurposes the historical concept of planned obsolescence (Bulow, 1986). Where traditional firms engineered product fragility to stimulate repeat consumption, regenerative enterprises engineer institutional impermanence to maximize social value and collective autonomy. They embed pathways for dissolution, handover, or transformation, redistributing resources, governance, and infrastructure into community stewardship. This inversion makes planned obsolescence an ethical design criterion; accountability shifts to an organization's capacity to exit responsibly without creating dependency or a power vacuum.

Responsible impermanence cannot be managed through centralized control alone. It requires distributed collective agency, where decision-making and stewardship are shared among stakeholders and ecological representatives. Polycentric governance research shows that decision-making systems with multiple, overlapping centres of authority operating at different scales, characterized by distributed power, local adaptation, nested accountability, and collabourative rule-making foster greater adaptability, legitimacy, and resilience under uncertainty (Aligica & Tarko, 2012; Ostrom, 2015). Participatory learning processes help organizations sense when their intervention is still needed and when a transition is appropriate (Senge, 2008), mitigating the risk of self-preservation overriding mission fulfillment (Pierson, 2011).

From a political economy perspective, this distributed agency counters the concentration of economic and epistemic power inherent in platform monopolies and shareholder capitalism (Srnicek, 2017; Zuboff, 2019). It prevents organizational success from hardening into structural dominance, enabling more pluralistic economic ecosystems.

This principle of intentional impermanence aligns with Indigenous and relational worldviews that see institutions as cyclical rather than indefinitely accumulative (Cajete, 2000; Kimmerer, 2020; Whyte, 2017). In this frame, planned obsolescence becomes an act of care and a deliberate return of power and agency to the collective.

At a systems level, this approach supports adaptive renewal and prevents the institutional lock-in that obstructs innovation and justice (Levin, 1998; Unruh, 2000). By withdrawing responsibly, organizations can leave behind strengthened communities, restored ecosystems, and expanded collective agency, positioning obsolescence not merely as a strategy, but as a civilizational ethic.

3.3 Profit as Enabler, Not Main Objective

Under this reframing, financial sustainability supports organizational continuity as needed for its problem-solving purpose, resilience, and autonomy, but it does not define organizational goals, nor is an end in itself. Accumulating profit detached from social contribution loses legitimacy.

This approach does not treat profit as inherently negative. It distinguishes between profit as a financial surplus (a capability) and profit as the overriding organizational objective (a governing paradigm). For example, even nonprofit organizations remain structurally dependent on surplus generation in the wider economy, as donations are typically drawn from profits or incomes produced elsewhere, meaning the nonprofit sector largely operates through surplus reallocation, not elimination (Anheier, 2014; Salamon, 1994). The ethical question, therefore, is not whether surplus exists, but how it is governed, distributed, and used.

From a political economy perspective, the critical fault line lies less in surplus generation than in the mechanisms of extraction and appropriation that privatize, concentrate, and detach surplus from social reproduction and ecological regeneration (Amin, 2010; Harvey, 2020; Piketty & Goldhammer, 2014).

This clarifies why the presence or absence of profit alone is an inadequate ethical test. Donation-funded models can reproduce extractive dynamics when resource dependence concentrates agenda-setting power with donors, incentivizes short-term project cycles, or prioritizes measurable outputs over structural change (Ebrahim, 2003; Pfeffer & Salancik, 2003). These dynamics may also encourage limited transparency regarding the origins of donated capital, enabling legitimacy laundering when philanthropic funding derives from destructive, exploitative, or illicit activities (Cooper, 2017; Giridharadas, 2018; Mooney, 2009; Shaxson, 2011).

Conversely, revenue-generating models can be ethically aligned when surplus is transparently reinvested into capabilities, prevention, and community stewardship rather than extracted as private rent—income derived from speculative asset ownership, market power, or financial intermediation disconnected from real value creation. This principle is formalized in social business and cooperative traditions that embed accountability to affected communities while limiting extraction (Utting & United Nations Research Institute for Social Development, 2015; Yunus & Weber, 2010). It also aligns with commons governance and cooperative economics, where surplus sustains shared capacity rather than private accumulation (Gibson-Graham et al., 2013; Ostrom, 2015), and reflects Islamic finance principles embedding ethical constraints into capital flows (Chapra, 2007).

Treating finance as an enabler introduces natural limits to growth. Expansion is justified only when it deepens problem-solving capacity or improves access and resilience, not when it merely increases market share or valuation. Scaling is thus reframed from quantitative expansion toward qualitative diffusion and contextual replication.

3.4 Multi-Dimensional and Systemic Social Value

Building on the problem-solving orientation established in Section 3.1, this section addresses the corresponding question of measurement: if business exists to solve social issues, how do we evaluate whether it is succeeding? Under the dominant paradigm, success is measured by a single, reductionist metric: financial return. The proposed redefinition requires an equally clear but fundamentally different approach to measurement that captures the multidimensional nature of wellbeing and systemic health.

Social value under this framing is not limited to employment generation or philanthropic contributions. It encompasses demonstrable improvements across interconnected domains: physical and mental health, learning capacity, environmental quality, social trust, inclusion, resilience, cultural continuity, and democratic participation. These dimensions interact systemically: gains in one domain amplify others, while degradation cascades across domains (IPBES, 2019; Raworth, 2017). A business claiming to address food insecurity, for example, must be evaluated not only on calories distributed but on nutritional outcomes, ecological impact of production, effects on local food sovereignty, and whether it builds or undermines community food agency.

This multidimensional framing avoids the reductionist trap of translating complex wellbeing into single financial or carbon indicators, which is a practice that often obscures more than

it reveals. It aligns with capabilities-based development theory, which evaluates progress based on what people are able to be and do rather than income alone (Sen, 2001). It resonates with planetary health approaches that link ecological stability with human wellbeing (de Paula, 2021; Whitmee et al., 2015) and with regenerative economics, which assesses organizational contribution to restoring social and ecological capacity over time (Fullerton, 2015).

Importantly, this evaluative lens shifts strategic orientation from competitive advantage toward collective viability. Organizations are assessed by their contribution to system health: do they leave social and ecological systems more resilient, more capable, more vibrant than before? This reframes accountability: the ultimate measure of success is not organizational longevity or market share, but the degree to which the organization renders itself unnecessary by solving the problem it was designed to address (see Section 3.2 on planned obsolescence).

Operationalizing such multidimensional measurement remains a significant practical challenge. It requires moving beyond annual reporting cycles to longitudinal assessment, beyond shareholder surveys to multi-stakeholder feedback, and beyond isolated metrics to indicators that capture systemic interactions. Emerging frameworks such as Doughnut Economics (Raworth, 2017), Economy for the Common Good (Felber et al., 2015), and integrated accounting approaches offer promising starting points. The critical shift, however, is epistemological: success is no longer defined by what is extracted, but by what is regenerated and measurement systems must evolve to reflect this fundamental reorientation. This closes the internal logic of the redefinition: purpose determines time horizon, time horizon reshapes the role of profit, and together they require multidimensional accounts of value.

4 Systemic Implications: Cascading Institutional Change

Redefining business as a social problem-solver is a paradigm-level system design intervention, acting as a deep leverage point for transformation that directly counteracts the cognitive, institutional, and incentive lock-in mechanisms diagnosed in Paper I. This paradigmatic shift reconfigures how actors perceive opportunity, legitimacy, risk, and responsibility, directly narrowing the pervasive value–action gap identified in sustainability research (Blake, 1999; Kollmuss & Agyeman, 2002) discussed in Paper I.

By fundamentally redesigning the purpose of economic activity toward sustaining life-supporting systems and expanding collective flourishing, the redefinition would trigger cascading realignments across the institutional architecture of the economy. The following sections trace these implications, illustrating how the new logic provides a coherent framework for transforming governance, finance, labour, urban space, and global relations from within.

4.1 Governance and Accountability: From Shareholder Primacy to Stakeholder Stewardship

Because purpose organizes institutional design, the redefinition of business cascades into concrete changes across governance, finance, labour, spatial development, and global relations. Under the new definition, organizational legitimacy derives from demonstrable contribution to social and ecological outcomes, not financial growth alone. This directly counters the agency erosion fostered by opaque algorithms and standardized evaluation regimes. Governance must therefore expand beyond shareholder primacy to polycentric, multi-stakeholder accountability frameworks that integrate workers, communities, ecosystems, and future generations into decision-making (Freeman et al., 2010; Ostrom, 2015). Such participatory models, evidenced in cooperative enterprises and commons management, strengthen local intelligence and long-term stewardship, actively rebuilding the collective agency systematically eroded by extractive systems (Restakis, 2010).

4.2 Investment Logic and Financial Architecture: From Speculative Extraction to Patient, Regenerative Capital

Financial systems recalibrated to this new purpose prioritize regenerative capacity and long-term resilience over short-term speculative extraction. This directly counteracts the myopia that prioritizes quarterly returns over systemic health. Capital allocation shifts toward patient investment horizons, blended value accounting, and mission-aligned instruments that reward long-term problem-solving (Jackson, 2016; Mazzucato, 2020). Public development banks, cooperative finance, and impact investing models demonstrate that embedding ethical constraints into financial architecture can stabilize economies by dampening boom-bust cycles and redirecting capital toward productive, preventive investment in public health, climate adaptation, and education, all investments currently crowded out by short-termism (Chapra, 2007; Mazzucato & Penna, 2016; Yunus & Weber, 2010).

4.3 Scaling: From Homogeneous Growth to Contextual Diffusion and Deep Learning

The redefinition rejects scaling as homogeneous organizational growth and market dominance, which is a logic that reinforces the cognitive lock-in described in Paper I by presenting one model as inevitable. Instead, it reframes scaling as the diffusion of problem-solving capacity through contextual adaptation, policy influence (scaling up), and cultural shift (scaling deep) (Lee Moore et al., 2015). This approach respects epistemic diversity and local knowledge, enabling plural pathways of development. It counters lock-in by fostering distributed innovation and resilience, and it dismantles misattribution by demonstrating that multiple, culturally legitimate forms of economic organization are viable and necessary.

4.4 Labour, Learning and Human Development: From Human Capital to Human Capability

When business exists to solve social issues, labour is re-conceived as a site of capability formation rather than a cost to be minimized. This directly counters the instrumentalization of education and the burnout generated by performance pressure described in Paper I. Organizations invest in psychological safety, relational intelligence, and adaptive agency as core productive assets (Edmondson, 2019; Immordino-Yang et al., 2019). Education aligned with this logic emphasizes lifelong learning, plural intelligences, and civic agency over standardized credential accumulation (Sen, 2001). This transforms work from a source of precarity and alienation into social infrastructure that develops the very human capabilities (e.g. critical thinking, cooperation, emotional regulation) required for navigating complexity and sustaining wellbeing.

4.5 Urban Systems and Spatial Design: From Financialized Assets to Infrastructures of Well-being

The redefinition reshapes urban development from a process of real-estate valorisation to one of stewarding long-term liveability and ecological integration. It provides a new evaluative logic for planners, authorities, and investors. Procurement, zoning, and public-private partnerships shift from revenue maximization to lifecycle value and social return metrics (Mazzucato & Ryan-Collins, 2019). Instruments like community land trusts and participatory design prioritize social-use value over exchange value, stabilizing affordability, preventing green gentrification, and explicitly designing restorative environments that lower allostatic load and strengthen community cohesion, actively undoing the neurocognitive harm diagnosed in Paper I, Section 2.1.

4.6 Global Equity: From Extractive Value Chains to Regenerative Sovereignty

The redefinition challenges extractive global value chains that concentrate financial value in core regions while externalizing ecological degradation and labour precarity to peripheries. It shifts the evaluative centre of economic success from export competitiveness to local problem-solving capacity and ecological regeneration. This supports endogenous, territorially embedded strategies, such as agroecology, solidarity economies, and community-based resource governance, that enhance resilience, distributive equity, and food sovereignty (Altieri et al., 2018; Ostrom, 2015). By internalizing responsibility for land and community stewardship, it counters the logic of externalization, reducing ecological burden-shifting and supporting pluriversal pathways of development rooted in cultural autonomy and relational accountability (Escobar, 2018; Gudynas, 2011).

4.7 Policy Coherence: From Silos to an Integrated Logic of Value Creation

Finally, the redefinition creates a shared orienting logic across policy domains (e.g. industrial strategy, education, health, climate, urban planning) by aligning all with the meta-goal of social problem-solving and regeneration. This counters the incoherence and short-term trade-offs that arise when sectors operate under incompatible success metrics (growth vs. remediation vs. cost control). Operationalized through mission-oriented industrial policy, wellbeing-focused education, preventative health systems, and integrated budgeting, this coherence reduces contradictory incentives and enables long-term, cross-sectoral strategies (Kattel et al., 2018; Mazzucato, 2021). It transforms governance from a collection of reactive silos into a coherent learning system capable of navigating complex transitions.

5 Alignment with SDGs, Regenerative Economics, Commons Logic, and Daoist Philosophy

Having outlined the institutional implications of redefining business, this section situates the proposal within broader intellectual and civilizational traditions that converge on similar principles. It does so to illustrate resonance, legitimacy, and cross-cultural robustness, but also the viability of shifting away from extractive growth logics toward relational, regenerative, and plural models of prosperity.

5.1 Alignment with the Sustainable Development Goals

The United Nations Sustainable Development Goals (SDGs) provide an integrated framework linking poverty reduction, health, education, ecological protection, decent work, and institutional integrity (UN. General Assembly (70th sess.), 2015). While often implemented through fragmented indicators and technocratic reporting, the SDGs implicitly recognize that economic activity must serve multidimensional human wellbeing, not just growth.

The proposed redefinition directly operationalizes this ambition by embedding social problem-solving as the core purpose of business. Rather than treating SDG alignment as peripheral corporate social responsibility or voluntary reporting, this approach integrates the SDGs into an organization's fundamental mission, governance, and value creation logic. This is particularly important, as empirical research shows that SDG implementation remains limited when sustainability is framed as compliance rather than a core business function (Scheyvens et al., 2016; Van Zanten & Van Tulder, 2018).

Conversely, Global Majority scholars warn that SDG implementation risks reproducing colonial development hierarchies unless it explicitly centres local agency, cultural diversity, and distributive justice (Fukuda-Parr & McNeill, 2019; Kothari et al., 2019). Reframing business as a social problem-solving institution directly supports this by strengthening endogenous capacity-building and reducing dependency on externally imposed, growth-centric development models.

5.2 Alignment with Regenerative Economics and Ecological Civilizational Thought

Regenerative economics challenges sustainability's focus on harm reduction and efficiency optimization by emphasizing restoration, renewal, and living systems coherence (Felber et al., 2015; Fullerton, 2015; Raworth, 2017). It draws on ecological economics, complexity science, and biomimicry to redesign economic systems as embedded within planetary boundaries and regenerative cycles.

Parallel frameworks emerging from the Global Majority further deepen this orientation. Latin American Buen Vivir emphasizes collective wellbeing, relational harmony, and ecological reciprocity rather than accumulation (Gudynas, 2011; Villalba, 2013). China's discourse on Ecological Civilization integrates Confucian, Daoist, and systems thinking into governance strategies emphasizing long-term harmony between human activity and natural systems (Hansen et al., 2018; Pan, 2016). African Ubuntu philosophy foregrounds relational personhood and communal responsibility in economic life (Metz, 2011). The proposed redefinition aligns with these regenerative paradigms by shifting business purpose from extraction toward contribution, repair, and systemic stewardship, positioning organizations as participants in living systems rather than external exploiters.

5.3 Alignment with Daoist Philosophy and Relational Ontologies

Daoist philosophy conceptualizes reality as dynamic relational flow governed by balance, non-coercive action (wu wei), cyclical transformation, and adaptive responsiveness (Ames, 2010; Ziporyn, 2012). Rather than optimizing control, Daoist philosophy emphasizes attunement, proportionality, and humility in intervention. These principles resonate strongly with complexity science, resilience theory, and regenerative design, which caution against over-optimization and linear control in complex adaptive systems (Holling, 2001; Meadows, 2011). They also align with Indigenous relational ontologies emphasizing reciprocal embeddedness between humans and ecosystems (Whyte, 2017).

Integrating Daoist philosophy into economic design expands the cognitive repertoire of sustainability transitions beyond Western mechanistic paradigms. It encourages economic systems to evolve through balance-seeking, feedback sensitivity, and restraint rather than expansionist dominance.

5.4 Alignment with Commons Logic and Polycentric Governance

Commons scholarship demonstrates that shared resources can be governed sustainably through collective institutions that integrate local knowledge, mutual accountability, and adaptive learning (Ostrom, 2015). Commons logic challenges the binary of state versus market by recognizing diverse governance arrangements capable of sustaining long-term collective goods. Global Majority research expands this insight through empirical studies of indigenous land governance, irrigation systems, fisheries management, and cooperative economies that have sustained ecological balance for centuries (Agarwal, 2010; Berkes, 2012; Escobar, 2018). These systems operate through relational norms and stewardship obligations rather than contractual extraction.

By framing business as collective agency rather than private accumulation, the redefinition of business discussed in this paper aligns organizational purpose with commons stewardship principles. Enterprises become institutional vehicles for maintaining shared social and ecological capacities rather than commodifying them.

5.5 Convergence Across Traditions

Although emerging from diverse cultural and disciplinary origins, SDG frameworks, regenerative economics, commons governance, and Daoist philosophy converge on several shared principles.

- Purpose orientation toward wellbeing and continuity rather than accumulation.
- Embeddedness of economic activity within ecological and social systems.
- Plurality of pathways rather than universal models.
- Relational governance rather than extractive control.
- Long-term stewardship rather than short-term optimization

The proposed redefinition of business synthesizes these convergences into a single operational anchor that can guide organizational design, investment logic, education systems, and governance architecture coherently across contexts. Rather than importing a singular ideological model, the redefinition functions as an integrative scaffold: it accommodates epistemic diversity while maintaining a shared orientation toward regenerative, justice-centred outcomes for all.

6 Conclusion

Redefinition as an Act of Institutional Imagination

Building on the diagnosis from Paper I, this paper has argued that redefining business constitutes a paradigmatic intervention into the cognitive and institutional infrastructures that shape economic behaviour. Definitions act as epistemic infrastructures: they structure what counts as legitimate activity, how success is evaluated, and where responsibility is located. In doing so, they influence how education systems train economic actors, how financial institutions allocate capital, and how organizations interpret their role in society. When business is defined primarily as a profit-generating engine, the social and ecological harms identified in the preceding paper become structurally normalized, even among actors with strong ethical commitments.

The redefinition of business proposed here as an entity that solves social issues and creates social value in a financially sustainable way reorients economic activity toward collective problem-solving and regenerative capacity. By positioning financial sustainability as an enabling condition rather than the governing objective, this definition allows organizational intelligence to prioritize human and ecological wellbeing while maintaining operational continuity. As discussed earlier, such a shift in purpose has cascading implications for governance, investment logic, labour relations, urban development, and global economic coordination, offering a coherent design logic for economic activity embedded within social and ecological limits.

Redefining business in this way represents an act of institutional imagination: a deliberate effort to redesign the conceptual rules that guide economic organization and adaptation in the face of planetary and social constraints. Yet conceptual change alone cannot transform practice. Paradigm shifts ultimately depend on the human capacities required to enact them: trust, cooperation, long-term thinking, and creative agency. As the next paper argues, these capacities are themselves shaped by the psychological and cultural environments produced by existing systems. The following discussion paper therefore examines the human preconditions necessary for this new economic paradigm to become viable in practice.

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The Research Institute for Sustainability (RIFS) conducts research with the goal of understanding, advancing, and guiding processes of societal change towards sustainable development in Germany and abroad. The Institute is embedded within the GFZ Helmholtz Centre for Geosciences and is thus part of the Helmholtz Association. Its research approach is transdisciplinary, transformative, and co-creative: RIFS cooperates with partners in science, political and administrative institutions, the business community, and civil society to understand the problems of sustainable development, identify appropriate solutions, and support their implementation in cooperation with relevant actors and affected communities. Its central research topics include the energy transition, climate change and socio-technical transformations, as well as sustainable governance and participation. A strong network of national and international partners and a Fellow Programme support the work of the Institute.

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