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RECEIVED 27 December 2025
REVISED 21 March 2026
ACCEPTED 31 March 2026
PUBLISHED 28 April 2026

CITATION
Deacu A-I (2026) Redefining business to
enable justice-driven and
human-centered urban futures.
Front. Sustain. Resour. Manag. 5:1776314.
doi: 10.3389/fsrma.2026.1776314

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Redefining business to enable justice-driven and human-centered urban futures

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The dominant definition of business as a profit-maximizing entity constitutes a structural barrier to justice-driven, human-centered, and nature-positive urban futures. Rooted in industrial-era paradigms of shareholder primacy, this definition reinforces extractivism, short-termism, and spatial inequality, constraining cities' ability to pursue just urban transitions and to implement nature-based solutions (NbS) and circular strategies in ways that benefit marginalized communities. This Perspective proposes an alternative definition of business as an entity that solves social issues and creates social value in a financially sustainable way. The argument is grounded in three principles: justice-centered purpose, relational and place-based embeddedness, and financial sustainability without extractivism. Under this perspective, business is not treated as an external actor to be regulated, but as a mutable institutional form embedded within urban socio-ecological systems. Drawing on the author's research, practical entrepreneurial experience, and secondary literature, the article examines illustrative cases from Europe and Asia, complemented by selected examples from Africa used for analytical contrast. These include cooperative housing initiatives, justice-oriented NbS enterprises, and public-private-people partnerships in housing, climate adaptation, and inclusive governance. The cases do not provide causal proof, but show how alternative business definitions become effective when supported by legal frameworks, public funding, and governance arrangements that recognize social value creation as a legitimate economic purpose. Redefining business is therefore a necessary, though not sufficient, condition for just urban transitions, opening pathways toward cities where dignity, participation, and ecological regeneration become foundational rather than exceptional.

KEYWORDS

circular cities, climate justice, cooperative housing, just urban transitions, nature-based solutions (NbS), public-private-people partnerships (4Ps), social enterprise and innovation, social value

1 Introduction

Cities are central arenas in the struggle for social and environmental justice. As climate impacts intensify and urban inequalities deepen, the call for "just urban transitions" emphasizes that decarbonization and resilience must go hand in hand with redistribution, recognition, and democratic participation (Fraser, 1995; Hughes and Hoffmann, 2020; Van Leeuwen, 2022). However, while urban planning, climate policy, and nature-based solutions (NbS) have increasingly integrated justice-oriented language, the underlying economic structures that shape urban development often remain untouched.

An underexamined, but key structural constraint is the dominant definition of business as a for-profit entity whose primary responsibility is to maximize shareholder value (Friedman, 1970; Stout, 2012). This definition has become embedded in policy instruments, procurement rules, investment logics, and public-private partnerships frameworks that guide urban development. It normalizes extractivist approaches to land, housing, infrastructure, and ecosystems, undermining efforts to build circular, regenerative, and inclusive cities.

In parallel, emerging research on NbS, circular cities, and climate justice underscores the importance of multi-actor governance, socio-spatial equity, and community agency (Bush and Doyon, 2019; Snep et al., 2020, 2023; Atanasova et al., 2021; Trajković et al., 2024). However, most of this work treats “business” as a fixed category and focuses on how to better regulate or incentivize it, rather than questioning what business *is* and what it *could become*.

This Perspective makes a conceptual and normative intervention: it argues that the prevailing definition of business is itself a barrier to justice-driven, human-centered, and nature-positive urban futures, and proposes an alternative definition grounded in social value creation. Drawing on the author’s ongoing academic research, practical entrepreneurial experience and comparative examples primarily from Europe and Asia, complemented by selected cases from Africa used for analytical contrast, the article explores how social enterprises, mission-driven cooperatives, and purpose-first public-private-people partnerships can support policy interventions in three domains: housing, climate adaptation (including NbS), and inclusive governance.

However, it does not claim that the cases discussed constitute causal proof that alternative business models generate just urban outcomes. Rather, they function as illustrative configurations that make visible institutional possibilities already emerging within existing systems. The contribution is therefore primarily conceptual and normative: to reframe business as a mutable institutional form whose design conditions the horizons of urban justice, and to situate empirical examples as secondary evidence of plausibility rather than definitive evaluation.

The argument unfolds in five steps. Section 2 analyzes how the dominant business definition produces extractivism, short-termism, and spatial inequality. Section 3 introduces a revised definition of business as a social-value-creating entity and situates it within debates on justice and urban governance. Section 4 illustrates how alternative business models operate in housing, climate adaptation/NbS, and inclusive governance. Section 5 discusses implications for public-private-people partnerships and just urban transitions, as well as further potential research and policy agenda. Section 6 presents the conclusion.

While the empirical illustrations focus mainly on European and Asian contexts, cases from Africa are included to highlight how the proposed redefinition of business operates under different political-economic conditions. These cases are not treated as directly comparable but as complementary examples that reveal how institutional contexts shape the possibilities for justice-oriented urban transitions.

2 The dominant definition of business as a structural barrier

2.1 From shareholder primacy to urban extractivism

Friedman’s (1970) widely cited claim that the social responsibility of business is to increase its profits crystallized a broader shift toward shareholder primacy in corporate governance. This doctrine has been critiqued for its role in fostering short-termism, externalization of environmental and social costs, and the narrowing of corporate purpose to financial returns (Stout, 2012). In urban contexts, such logics manifest in at least three ways:

- a) Financialization of land and housing, where residential spaces are treated primarily as assets, driving speculation, displacement, and socio-spatial segregation (Aalbers, 2017; Kimhur, 2020).
- b) Profit-driven infrastructure public-private partnerships, in which risk and reward are often asymmetrically distributed, with public actors and residents absorbing long-term risks while private partners capture stable income streams (Dalla Longa, 2011).
- c) Market-led deployment of NbS and green infrastructure, targeting high-income districts or prestige projects while low-income communities remain under-served or exposed to green gentrification (Bush and Doyon, 2019; Anguelovski and Corbera, 2023).

In these configurations, business is structurally positioned as an external actor that must be enticed to “participate” in public goals through incentives, rather than as a constitutive part of a just urban ecosystem.

2.2 Short-termism, circularity, and the limits of “less bad”

The shareholder-value model tends to privilege short time horizons and rapid returns. This directly conflicts with the temporalities of just urban transitions, which require sustained investment in maintenance, repair, and long-term stewardship of infrastructures and ecosystems (Schröder et al., 2019; Trajković et al., 2024). In the circular economy field, many corporate initiatives focus on efficiency gains and incremental waste reduction, while core business models remain rooted in continuous extraction and growth (Korhonen et al., 2018).

Similar tensions arise in NbS. While NbS are promoted as multifunctional interventions that provide ecosystem services and social benefits, their implementation often prioritizes easily quantifiable benefits and short-term returns, such as increased property values or tourist appeal, over long-term equity and care (Bush and Doyon, 2019; Tozer et al., 2022). Without rethinking the role and purpose of business actors, NbS risk becoming another “green fix” layered onto unequal urban structures.

2.3 Spatial inequality and the right to the city

Urban justice debates emphasize that inequality is not only about income or emissions, but also about spatialized access to “human space”—the capacity to inhabit, use, and shape urban environments (Lefebvre, 2021; Van Leeuwen, 2022). Business models focused on value extraction from urban land and infrastructure tend to concentrate high-quality housing, green spaces, and NbS in profitable areas, treat marginalized neighborhoods primarily as markets to be captured or risks to be managed and externalize environmental burdens to less powerful communities.

Fraser’s (1995, 1998) tripartite framework of redistribution, recognition, and representation is useful here to understand that contemporary urban injustices involve maldistribution of resources, misrecognition of marginalized groups, and misrepresentation in decision-making processes. When business is defined narrowly as profit-maximizing, it systematically reproduces all three forms of injustice.

3 Redefining business for social value creation

3.1 An alternative definition

Building on the author’s practical entrepreneurial experience, academic research and engagement with social enterprises and mission-driven organizations in Asia and Europe, this Perspective advances an alternative definition of business as *an entity that solves social issues and creates social value in a financially sustainable way* (Deacu, 2026a,b).

This definition reverses the conventional hierarchy: social value and problem-solving become the *primary* purpose, while financial viability takes second place and becomes an *enabler and a condition* for continuity, not the end goal. It aligns with scholarship on social enterprises, which emphasizes priority to social aims, limited profit distribution, and participatory governance (Nicholls, 2006; Defourny and Nyssens, 2010, 2012; OECD, 2020).

Three principles are embedded in this definition:

- a) Justice-centered purpose

Business activities are assessed by their contribution to redistribution, recognition, and representation, rather than by shareholder returns alone (Fraser, 1995; Van Leeuwen, 2022).
- b) Relational and place-based embeddedness

Businesses are understood as actors within socio-ecological systems, responsible for the local and global impacts of their operations on land, water, climate, and communities (Bush and Doyon, 2019; Hughes and Hoffmann, 2020).
- c) Financial sustainability without extractivism

Profit is legitimate when it is a by-product of solving social and ecological problems, not when it depends

on creating or reproducing them. This resonates with mission-oriented innovation approaches that call for public–private collaboration to shape markets around societal goals (Mazzucato, 2018).

3.2 Linking business redefinition to just urban transitions and NbS

Just urban transitions are increasingly understood as multi-dimensional processes that integrate decarbonization, resilience, and social justice (Hughes and Hoffmann, 2020; Chu et al., 2025). In this context, redefining business has at least four implications:

- Redistributive: directing investment and innovation toward under-served communities, including social housing, informal settlements, and peripheral neighborhoods.
- Recognitional: grounding business models in the lived experiences and knowledge of marginalized groups, including informal workers, migrants, and residents of climate-vulnerable areas.
- Representational: opening decision-making structures to community participation and co-governance, strengthening public–private–people partnership arrangements.
- Regenerative: aligning business activities with NbS and circularity principles that enhance ecosystem services, reduce resource extraction, and support long-term stewardship (Snep et al., 2020; Atanasova et al., 2021; Trajković et al., 2024).

In other words, redefining business reshapes who can legitimately participate in urban governance and on what terms.

4 Case-based insights from Europe and Asia, with complementary examples from Africa

This section synthesizes secondary literature and documented initiatives to illustrate how alternative business models are currently being mobilized in housing, climate adaptation (including NbS), and inclusive governance. These examples do not constitute causal proof that redefining business produces just urban outcomes. Instead, they are used as analytical illustrations to examine whether and how the three principles introduced in Section 2—justice-centered purpose, relational embeddedness, and financial sustainability without extractivism—can become institutionally effective in practice.

The cases also differ in their political–economic contexts. While many examples come from European welfare-state settings, others emerge from Asian and African contexts characterized by informal economies, community finance, or development-oriented governance. This diversity is intentional, as it allows examination of whether the proposed

redefinition of business operates only as isolated pockets of alternative practice or can become embedded within broader institutional arrangements.

4.1 Housing: cooperative and community-led model

Housing is a critical site where the dominant business definition manifests through speculative development, rent gaps, and displacement. In response, cooperative and community-led housing models have emerged that challenge profit-maximization by design.

The Social-Ecological Cooperative Housing initiatives in Basel, Berlin, Vienna, and Zurich provide concrete illustrations of how cooperative ownership aligns affordability, community governance, and ecological performance. In Basel, the LeNa cooperative (Lebenswerte Nachbarschaft) indicates sufficiency-based living integrated with local food systems and solidarity financing. In Berlin, Möckernkiez—Germany’s largest newly built cooperative—shows how social diversity, car-free design, and climate-adaptive measures can be embedded in self-governed housing. Vienna’s Wohnprojekt Wien exemplifies sociocratic governance, shared resource cultures, and Passivhaus construction within a solidarity-based ownership structure. Zurich’s Zollhaus, developed by the Kalkbreite Cooperative, pioneers sufficiency (≤ 30 m² per person), hall cohousing, and mixed-use community spaces that strengthen neighborhood ties and reduce ecological footprints (id22: Institute for Creative Sustainability, 2022). These projects integrate shared spaces, energy-efficient design, and often NbS such as green courtyards, roofs, and urban gardens, while locking land into non-speculative ownership structures (id22: Institute for Creative Sustainability, 2022; Gotyi and Majee, 2025). They suggest that rent levels can be stabilized when land and buildings are held collectively and removed from speculative markets; residents can co-govern design and management, enhancing social cohesion and agency; investments in NbS and low-carbon materials can become part of long-term stewardship, not short-term cost externalities.

Similarly, in the Netherlands, social housing providers are increasingly recognized as strategic actors for implementing NbS that enhance resilience and justice. Snep et al. (2023) document a series of Living Lab projects in The Hague that illustrate how nature-based interventions can be embedded directly into low-income housing estates. In the Haag Wonen inner gardens in The Hague Southwest, for example, a co-designed NbS upgrade introduced vegetated swales, pollinator pockets, and tree-based “cool spots” across three large courtyard spaces, reducing pluvial flooding, mitigating heat stress, and creating more welcoming shared spaces for residents. Critically, these interventions were most transformative when the housing corporation collaborated with residents, municipal authorities, and mission-driven partners, rather than outsourcing entirely to profit-driven firms (Snep et al., 2023).

In parts of Asia, community-based upgrading in informal settlements also illustrates a redefined business logic. For example, in Thailand, the Bang Bua upgrading project under the Baan

Mankong Program illustrates how collective finance, community leadership, and city-level funds can secure tenure and deliver *in-situ* improvements at scale. In the Philippines, the Homeless People’s Federation of the Philippines has used community savings and the Urban Poor Development Fund to implement city-level upgrading projects that combine community finance, resident planning, and co-governance with local authorities (Boonyabanha and Kerr, 2018). Here, “business” is embedded in collective finance and mutual aid, challenging the idea that housing provision must be led by profit-maximizing developers.

Taken together, these examples suggest that when business is understood as an entity that solves social issues and creates social value in a financially sustainable way, housing providers and developers can function as stewards of affordability, ecological performance, and neighborhood cohesion rather than as drivers of displacement. The cases illustrate different degrees to which such a redefinition can become institutionally effective. In the European cooperative examples, justice-centered purpose is embedded through non-speculative ownership structures, relational embeddedness is reinforced through resident governance and local stewardship, and financial sustainability without extractivism is supported by cooperative financing models and enabling policy frameworks. In the Asian upgrading cases, the redefinition is less formalized but becomes visible through collective finance systems and state-supported programs that treat housing provision as a social function rather than a speculative market activity.

These examples do not suggest that the dominant profit-oriented definition of business has been displaced. Instead, they illustrate how alternative models become viable where legal frameworks, funding arrangements, and governance structures allow social purpose to be institutionalized. Crucially, they also reflect two distinct dynamics. In contexts such as Vienna and Zurich, cooperative housing operates within institutional environments where non-speculative models have been formally recognized and supported through policy frameworks, land allocation mechanisms, and financing instruments, effectively embedding an alternative understanding of business in practice. In contrast, in contexts such as Berlin, similar initiatives persist as constrained pockets of alternative practice within a predominantly profit-driven system, often facing regulatory and financial barriers. This distinction highlights that redefining business becomes a structural lever only when it is institutionalized through enabling governance arrangements, rather than remaining limited to isolated initiatives.

4.2 Climate adaptation and NbS: justice-oriented social enterprises

Climate adaptation is another domain where business models matter greatly. While many companies are entering NbS markets (e.g., green roofs, urban forestry services, blue-green infrastructure), the terms of engagement often reproduce existing inequalities unless justice is intentionally foregrounded (Bush and Doyon, 2019; Tozer et al., 2022).

Snep et al. (2020) propose a typology of no-tech, low-tech, and high-tech NbS for urban resilience, highlighting that simpler,

community-embedded solutions can be highly effective when supported by appropriate governance and finance. [Atan-sova et al. \(2021\)](#) and [Oral et al. \(2020\)](#) link NbS to circular urban water systems, arguing that NbS can support circularity by treating stormwater and wastewater as resources rather than waste.

Several social enterprises and cooperatives across Europe and Asia are building business models around such justice-oriented NbS. In European cities, urban gardening and agroecology social enterprises combine local food production, composting, and soil regeneration with training and employment for marginalized groups, often operating on public or cooperative land ([Winkler et al., 2019](#); [Mouratiadou et al., 2024](#)). For example, in Berlin the community garden initiative spanning a former cemetery in Neukölln and a former agricultural enterprise in Hellersdorf offers biodiversity spaces, beekeeping, kitchen-garden cafés, and training programs for long-term unemployed and migrant residents ([European Environment Agency, 2025](#)). Their revenue models blend produce sales, service contracts (e.g., maintenance of public green spaces), and grants, but their core objective is community wellbeing and ecosystem restoration, not profit extraction.

In South and Southeast Asia, organizations working in informal settlements increasingly integrate NbS into flood risk reduction and heat mitigation efforts while centering the livelihoods and local knowledge of residents. Such efforts include mangrove restoration, vegetated embankments, and shaded community spaces ([UN-Habitat, 2020](#); [Hamel and Tan, 2022](#)). A notable example is the RISE program, which co-designed constructed wetlands with residents in informal settlements in Suva (Fiji) and Makassar (Indonesia) to reduce wastewater contamination and urban flooding. Through citizen-science flood monitoring and community-driven design, these wetlands became multifunctional NbS that enhance climate resilience while strengthening local agency ([French et al., 2021](#); [Wolff et al., 2022, 2023](#)).

Justice-oriented NbS businesses differ from conventional environmental service firms in at least two ways. First, their success metrics include indicators such as reduced vulnerability, increased community agency, and improved access to green space, alongside financial sustainability. Second, they often participate in co-governance arrangements with municipalities and communities, rather than operating as external contractors.

These models also resonate with emerging climate justice planning practices. For example, [Diezmartinez and Short Gianotti \(2022\)](#) show that some U.S. cities are increasingly integrating justice into climate planning and developing policy tools to prioritize vulnerable communities. However, for such tools to be effective, the businesses implementing NbS must also be aligned with justice-oriented purposes. Otherwise, plans risk being implemented through extractive procurement practices.

Across these cases, the role of business changes when justice-centered purpose becomes an explicit criterion in project design, when enterprises are embedded in local socio-ecological relationships, and when financial viability is pursued without relying on extraction from land, labor, or ecosystems. In practice, however, such configurations rarely emerge spontaneously. They depend on enabling conditions such as public support, hybrid financing arrangements, and institutional recognition of social

enterprises and community actors. The redefinition of business becomes institutionally effective when procurement rules, funding programs, or legal frameworks allow enterprises with social-value-oriented purposes to participate on equal terms with conventional profit-driven firms. This suggests that redefining business is not only a conceptual shift but also a governance question concerning which forms of enterprise are legitimized and supported. In the examples discussed, justice-centered purpose is reflected in the prioritization of vulnerable communities, relational embeddedness in the co-design of NbS with local actors, and financial sustainability without extractivism in funding models that combine public resources, community participation, and limited-return financing rather than speculative investment.

4.3 Inclusive governance: from public–private partnerships to public–private–people partnerships

Conventional public–private partnerships are usually structured around contractual risk-sharing between public authorities and private firms, with citizens positioned at best as “stakeholders” to be consulted ([Dalla Longa, 2011](#)). By contrast, the emergence of public–private–people partnerships explicitly includes community actors as co-creators and co-owners of projects ([Majamaa, 2008](#); [von Wirth et al., 2019](#)).

The 4PCCD initiative in Maputo, Mozambique, for example, engages residents of low-income neighborhoods, municipal agencies, and NGOs in co-designing climate-compatible development activities, such as drainage maintenance, water protection, and waste management, while creating local employment and strengthening civic–institutional relationships ([Broto et al., 2015](#)). Similarly, equity-focused partnerships in Pune, India, have integrated informal waste pickers into formal waste collection systems, improving livelihoods, and recognizing the dignity of previously stigmatized workers ([Failor, 2010](#)).

In Europe, public–private–people partnership-inspired approaches have been explored in urban regeneration, cultural heritage, and NbS, where community organizations, social enterprises, and cooperatives share decision-making and benefits with municipalities and mission-driven private actors. For example, within the CLEVER Cities program in South Thamesmead (London), an Urban Innovation Partnership unites the housing association Peabody, the Greater London Authority, NGOs, designers, local businesses and residents to co-create and co-govern NbS as part of a wider regeneration strategy ([Bradley and Mahmoud, 2024](#)). In the cultural heritage field, public–private–people partnerships arrangements in Italian cities illustrate how public authorities, third-sector organizations and local communities jointly manage and valorize heritage assets, sharing risks, responsibilities and revenues ([Boniotti, 2023](#)). Across 32 case studies in 16 European cities, research on “mosaic governance” of urban green infrastructure similarly shows hybrid constellations in which community groups, social enterprises and cooperatives collaborate with municipal agencies and private firms to plan, finance and manage green spaces ([Buijs et al., 2019](#)). These

configurations move closer to the author's proposed redefinition of business: they create institutional spaces where economic activities are explicitly tied to social and ecological goals, and where financial returns are negotiated alongside justice outcomes.

From a governance perspective, these examples show that shifting from public-private partnerships to public-private-people partnerships requires new legal and contractual templates that recognize community organizations as equal partners, as well as procurement and financing tools that value social and ecological outcomes rather than lowest cost alone. Such arrangements also depend on institutional capacities within local governments to convene, mediate, and support long-term relational forms of governance (Thaler et al., 2021). These governance requirements, however, do not emerge in the same way across different political-economic contexts. The inclusion of cases from Africa and South Asia highlights that the redefinition of business may take different institutional forms depending on state capacity, legal traditions, and historical patterns of urban development. In European settings, alternative models often operate within formal legal frameworks for cooperatives, social enterprises, or participatory governance. In contrast, in many Global South contexts, similar principles emerge through community finance, informal institutions, or development-oriented programs rather than through formally redefined business categories. These differences reinforce the argument that redefining business is not only a theoretical exercise but a context-dependent process shaped by existing governance structures and socio-economic conditions.

5 Discussion: implications for just urban transition

This Perspective has argued that redefining business is a structural lever for advancing just urban transitions rather than a peripheral concern. The cases discussed above should not be interpreted as evidence that justice-oriented business models automatically lead to just urban outcomes. Instead, they illustrate that such models become effective only under broader institutional conditions that allow alternative definitions of business to operate in practice. In this sense, redefining business functions as a structural lever when supported by legal frameworks, public policy, and governance arrangements that recognize social value creation as a legitimate economic purpose. From this perspective, business is no longer treated as an external actor to be regulated, nudged, or compensated for delivering public goods, but as a constitutive element of urban socio-ecological systems. This conceptual shift has important implications for how cities pursue justice-oriented transitions, particularly in relation to market design, governance mandates, and the politics of implementation.

5.1 Beyond regulation: shaping markets and mandates

Much of the urban sustainability and NbS literature implicitly assumes that markets are given and that policy interventions should focus on correcting market failures through regulation, incentives,

or voluntary standards. While such tools remain necessary, they are insufficient when the dominant market logic itself is misaligned with justice and regeneration.

The redefinition of business proposed in this article points toward a more proactive role for public authorities in shaping markets so that social-value-creating entities become the norm, not the exception (Mazzucato, 2018; Hughes and Hoffmann, 2020). In the context of just urban transitions, this involves moving beyond the question of how to make existing firms "less harmful" toward determining which types of economic actors are enabled, legitimized, and scaled through public policy.

Concretely, this implies at least three shifts in urban governance:

First, public procurement and concession frameworks can be redesigned to prioritize social value creation, long-term stewardship, and community governance, rather than lowest-cost delivery or short-term efficiency. This is particularly relevant for NbS, housing, and basic urban services, where outcomes unfold over long time horizons and require ongoing care rather than one-off investments.

Second, cities can actively support alternative business ecosystems by providing patient capital, access to land, technical assistance, and institutional recognition to social enterprises, cooperatives, and mission-driven organizations working in under-served neighborhoods. Such support systems help address structural disadvantages these actors face in competition with capital-intensive, profit-maximizing firms.

Third, mandates and planning instruments, including zoning, land-use regulation, and climate adaptation plans, can explicitly recognize non-speculative and community-led models as legitimate and desirable urban development pathways (Aalbers, 2017; id22: Institute for Creative Sustainability, 2022). In this sense, redefining business becomes intertwined with redefining what counts as "success" in urban development, shifting emphasis from growth and return on investment toward dignity, access, and ecological regeneration.

Taken together, these shifts suggest that just urban transitions require not only better regulation of business, but also a re-politicization of market design itself, including decisions about ownership, purpose, and accountability.

Importantly, redefining business does not imply a wholesale exit from capitalist political economy. Instead, it highlights that capitalism itself is internally heterogeneous and institutionally malleable. Different configurations of ownership, purpose, and accountability coexist within contemporary economies. The proposed redefinition therefore seeks to expand the institutional space available to social-value-oriented forms of enterprise, rather than to claim their automatic dominance or sufficiency.

5.2 Addressing tensions and limitations

While the cases discussed in this article illustrate the potential of social-value-oriented business models, it is important to acknowledge their limitations and tensions. Doing so avoids romanticizing alternative models and strengthens the credibility of the proposed redefinition.

The challenges encountered by justice-oriented business models should not be interpreted as contingent shortcomings of specific initiatives, but as expressions of structural political-economic conditions within which these models operate. Financialized land markets, growth-oriented investment regimes, and state reliance on market-based delivery systems shape the field of possibilities in which social-value-oriented businesses must act. Recognizing these conditions is essential to avoid implying that alternative business models alone can resolve entrenched inequalities.

A first structural condition concerns scale and replication. Many justice-oriented housing cooperatives, NbS enterprises, and public-private-people partnerships operate at neighborhood or district scale, where strong relational ties and contextual knowledge are possible. Scaling such models without undermining democratic governance, place-based embeddedness, and social trust remains a significant challenge. This raises a deeper question: whether conventional notions of “scaling up” derived from growth-oriented business models are appropriate benchmarks for justice-driven urban transitions, or whether horizontal diffusion, networked replication, and institutional embedding may be more suitable pathways.

A second structural condition concerns financial precarity. Despite their long-term societal value, many justice-oriented NbS initiatives continue to rely on short-term grants, pilot funding, or project-based financing (Tozer et al., 2022; Trajković et al., 2024). This creates tensions between the temporal logic of care, maintenance, and stewardship required for NbS and the short funding cycles imposed by current financial regimes. Without reforms in public finance and investment practices, such initiatives risk remaining marginal or vulnerable to policy shifts.

A third structural condition concerns power asymmetries within partnerships. Even within public-private-people partnerships, public authorities and large private actors may retain disproportionate control over agendas, resources, and decision-making processes. Community organizations and social enterprises often bear significant implementation responsibilities while having limited influence over strategic choices. Addressing these asymmetries requires not only inclusive rhetoric, but also legal, contractual, and institutional mechanisms that safeguard community voice and shared ownership over time.

These tensions do not undermine the need to redefine business. On the contrary, they highlight that redefining business must be accompanied by supportive institutional ecosystems, capacity building within local governments, and ongoing political negotiation over whose values and interests shape urban futures.

5.3 Research agenda

This Perspective opens several avenues for future research at the intersection of urban planning, political economy, and sustainability science.

First, there is a need for comparative empirical research examining how different justice-oriented business models perform

across diverse socio-political and spatial contexts. Such studies could assess how variations in governance regimes, land policy, and welfare systems influence the viability of social enterprises, cooperatives, and public-private-people partnerships in delivering NbS and circular solutions.

Second, further work is needed to develop metrics and evaluation frameworks that capture social value creation, justice outcomes, and long-term stewardship. Current assessment tools often prioritize short-term outputs or monetizable benefits, overlooking dimensions such as community agency, recognition, and intergenerational equity.

Third, scholars could explore institutional innovations in public finance, procurement, and land governance that operationalize the redefined concept of business. This includes examining how mission-oriented policies, public development banks, and commons-based land arrangements can support just urban transitions.

Fourth, methodological advances in co-production and participatory research are needed to ensure that communities, social enterprises, and local authorities jointly shape knowledge production about NbS and urban transitions. Such approaches align with the normative commitment to recognition and representation articulated in this article.

Finally, there is scope for more critical reflection on the concept of scale itself in sustainability transitions research. Rather than assuming growth and replication as inherent goals, future research could examine when small-scale, place-specific solutions are not limitations but deliberate and desirable outcomes of justice-oriented urban development. Such research would deepen the evidence base for integrating business redefinition into just urban transition frameworks.

6 Conclusion

This Perspective has argued that the dominant definition of business as a profit-maximizing entity constitutes a structural barrier to justice-driven, human-centered, and nature-positive urban futures. To address this limitation, the article proposed an alternative understanding of business based on three principles: justice-centered purpose, relational and place-based embeddedness, and financial sustainability without extractivism.

Across the cases discussed, these principles help distinguish between alternative business models that merely coexist with dominant market logics and those that become institutionally effective in shaping urban development. The empirical examples both confirm and complicate this framework. Justice-centered purpose is consistently evident, particularly in the prioritization of marginalized communities, yet its institutionalization varies significantly depending on governance arrangements. Relational and place-based embeddedness emerges as a key strength of cooperative and community-led models, while also revealing tensions when scaling beyond local contexts. Financial sustainability without extractivism is achievable through hybrid financing and collective ownership, but often remains constrained by

prevailing financial regimes, highlighting the need for broader systemic change.

Drawing on ongoing research at a sustainability institute, practical entrepreneurial experience, and comparative examples primarily from Europe and Asia, complemented by selected cases from Africa and other Global South contexts, the article has shown how cooperative housing initiatives, justice-oriented NbS enterprises, and public–private–people partnerships can align economic activity with social value creation and long-term ecological regeneration under different political–economic conditions. These cases suggest that redefining business shifts attention from regulating harmful practices toward determining which forms of enterprise are recognized, supported, and scaled within urban governance.

For cities pursuing NbS, circularity, and climate justice, the key question is therefore not only how to make existing business models less harmful, but which types of business should be cultivated as legitimate partners in socio-ecological transition. At the same time, the empirical illustrations indicate that redefining business alone is not sufficient. Its transformative potential depends on supportive institutional ecosystems, including legal recognition of social-value-oriented enterprises, procurement and financing frameworks aligned with long-term stewardship, and governance arrangements that include communities as equal partners. Where such conditions are present, business can function not as an external actor delivering services to the city, but as a constitutive element of a just urban socio-ecological system.

Ultimately, when business is no longer positioned as the opposite of public interest but as an active steward of it, new pathways emerge for urban futures in which dignity, participation, and ecological regeneration become foundational rather than exceptional. Redefining business is therefore not a marginal semantic debate, but a necessary step in designing just socio-ecological transitions across diverse regional contexts.

Data availability statement

The original contributions presented in the study are included in the article/supplementary material, further inquiries can be directed to the corresponding author.

Author contributions

A-ID: Conceptualization, Funding acquisition, Investigation, Resources, Writing – original draft, Writing – review & editing.

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Funding

The author(s) declared that financial support was received for this work and/or its publication. This research was supported by the Research Institute for Sustainability at GFZ (RIFS) under the Klaus Töpfer Sustainability Fellowship program.

Acknowledgments

The author gratefully acknowledges conversations with colleagues and practitioners engaged in social enterprise, cooperative housing, and nature-based solutions in Europe and Asia, which brought additional insights for the reflections in this Perspective.

Conflict of interest

The author(s) declared that this work was conducted in the absence of any commercial or financial relationships that could be construed as a potential conflict of interest.

Generative AI statement

The author(s) declared that generative AI was used in the creation of this manuscript. The author used the generative AI system GPT-5.1 Thinking (OpenAI, accessed via ChatGPT) to assist with language editing and resource expansion. All additional resources have been fact-checked; content and arguments are the sole responsibility of the author.

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