

The Von Carlowitz Project*

Time to Declare a *Planetary Accounting Emergency!*

Imagine a world in which the 500 largest corporations on Earth (the [Global 500](#)) routinely measured, managed and reported their social and environmental performance and not just their profitability. How sustainable would commerce be in that world, knowing that what gets measured gets managed, and what doesn't get measured almost never gets managed? Would the very act of measuring their social and environmental impacts tend to improve companies' sustainability performance over time? We think so.

Corporations today scrupulously measure, manage and report their financial performance but not their non-financial performance. Even so, the fact that many if not most companies are socially or environmentally unsustainable can be independently determined, but only when the right kinds of accounting tools are used (i.e., ones that take pesky little things like social and ecological limits into account instead of ignoring them). Shouldn't all companies be using tools like that – integrated and [context-based](#) accounting tools, that is? Doesn't the fact that such tools are not being used amount to a kind of [planetary accounting emergency](#)?

Well it certainly does if you believe as we do that, just as profitability depends on measuring and managing for profitability, *sustainability*, too, depends on measuring and managing for it. After all, you can't manage a thing, much less achieve it, if you can't see it. One thing is clear – and that is that businesses will never be sustainable in the new world using accounting tools forged in the old one!

A Measurement Theory of Change

Our mission, then, is to aggressively provoke the rapid adoption of authentic **Triple Bottom Line** accounting. Indeed, we want to help companies become early adopters of a type of integrated reporting that is inclusive of sustainability performance by working with them on a subsidized basis to help implement powerful new metrics from the bottom up, and thereby *reinvent performance accounting* in order to make sustainability possible. Our theory of change – the leverage we believe in – is to enact fundamental reform in the manner in which organizations of all walks understand and assess their own performance. Why? Because to change the world, one first has to learn to see it differently. Conventional accounting, that is, is over!

Multicapitalism and The Von Carlowitz Project

What we are specifically calling for is the widespread embrace of [multicapitalism](#) in commerce, a radical shift from today's prevailing *monocapitalist* doctrine in which priority is given to only one type of capital: *economic*. Multicapitalism, by contrast, defines performance in terms of impacts on all vital capitals, the quality and sufficiency of which are fundamental to human well-being. Performance varies accordingly.

To help make the transition from monocapitalism to multicapitalism (and to sustainable commerce), reform in the kinds of tools, methods and metrics organizations use to measure, manage and report their own performance is required. Among the leading heir apparents is the [MultiCapital Scorecard](#), an **open-source** methodology designed (in part by us) for this very purpose – an authentic Triple Bottom Line method!

Our mission in this project, then, is to enlist participation from as many of the of the world's 500 largest corporations as possible to pilot, test and implement the MultiCapital Scorecard (and multicapitalistic measurement and reporting, in general) in their own organizations. We see this as a necessary first step in what it will take to make the transition from old *growth economies* to new *sustainable* ones. At an estimated cost of \$100K per pilot, we're seeking \$50 million in multiples of \$100K to get this work done.

*[Hans Carl von Carlowitz](#) was an 18th-century Saxon tax accountant and mining administrator who more or less invented sustainable forestry and whose 1713 book, [Sylvicultura Oeconomica](#), was the first management text to introduce the concept of sustainability in business and advocate for Triple Bottom Line management in particular. This project is named in his honor in hopes that his vision can be achieved some 300-plus years later, albeit for commerce in general and not just forestry.

