

Foundations and applications of the Economy for the Common Good (ECG)¹

1. Principles

The central theme of the ECG („Gemeinwohl-Ökonomie“) is that „The Economy for the Common Good establishes an ethical model of the economy. Primary goal of all economic activity is the good of the people and the environment.“ (Felber 2012).

The ECG movement was initiated on October 6th, 2010 in Vienna by several Attac businesses. The impetus was the 2007/08 global financial crisis and the view that this crisis emerged as a consequence of the present neo-liberal economic thinking with its focus on profit maximization and the principle of competition (Felber 2012: 18).²

The objective of the ECG is to initiate a new economic order, which enables businesses to operate in a swift and practical manner under the overall goal to work toward the common good. The foundation for this re-orientation is the transformation of the profit maximization principle into the common good orientation, as well as the transformation of the principle of competition into a principle of cooperation that includes the establishment of associations for the common good.³

The re-orientation in terms of a reform of the economy's incentive framework conditions is viewed both with respect to the individual as well as with respect to the overall incentive structure. As far as the individual is concerned, the ECG adopts Aristotele's view of the „well-being“ (Eudaimonie).⁴ This implies that that an individual's ability and fortune of living well in happiness in accordance with the fundamental principles of philosophical ethics is in line with Aristotele's view of virtuous activities or activities of the rational part of the soul that are in accordance with virtue.⁵

Aristoteles developed hereby a consistent system of virtues both theoretically as well as in practical terms, as it relates to human action, since his view of virtues rests „on the fundamental understanding that human activity needs to actualize the virtues.“⁶ This focus on human action has been further developed by Friedrich Schiller. Schiller considers how the self-educated mind develops a mental center as a mental sphere in human consciousness that playfully enables an esthetic freedom of mind.

In Schiller's view, it is through this esthetic freedom that the human mind can achieve a balance between pure focus on material ends, such as the sole strife for profitability, and a pure focus on

¹ From German into English by Prof. Dr. Bodo Steiner. I like to express my sincere thanks to him.
https://www.researchgate.net/profile/Bodo_Steiner

² Felber, Christian: *Gemeinwohl-Ökonomie*; Deuticke, 2. Aktualisierte und erweiterte Neuauflage; 2012; in English: *Change Everything: Creating an Economy for the common good*; Zed Books, London; 2015

³ Latour, Bruno: *Das Parlament der Dinge*; Suhrkamp; 2. Auflage; 2012, S. 103 ff.

⁴ Aristoteles: *Nikomachische Ethik*; Reclam; 1983, z.B. 1179a, S. 295. For example, he takes the virtue of being courageous as being located on a map in the midst between the virtues that are associated with a coward and that of being foolhardy like a rash person.

⁵ Kraut, Richard, "Aristotle's Ethics", *The Stanford Encyclopedia of Philosophy* (Spring 2016 Edition), Edward N. Zalta (ed.), URL = <<http://plato.stanford.edu/archives/spr2016/entries/aristotle-ethics/>>.

⁶ Flashar, Helmut: *Aristoteles*; Lehrer des Abendlandes; Ch. Beck; München; 2013, S.78 f.

rational-logical considerations (strife for form), such as the rationally-driven necessity for competition.⁷

Starting with the objective to change the overall incentive structure that underlies the neo-liberal economic thinking, the founders of the ECG focused subsequently on identifying those values that should in the future become the lead values according to which the common good orientation is to be achieved in businesses. It was viewed that those values could be chosen from the set of values that underlie almost all democratic constitutions across the globe, namely human dignity, solidarity, ecological sustainability, justice and democracy (transparency and the right to participate).

In the ECG, those values are considered to enable the sequential and systematic adjustment of the current neo-liberal economic system, which is built upon the loss of values (dignity), the ecological destruction, the disregard of participatory democratic structures, the neglect of fundamental human needs, injustice etc. (Felber, 2012: pp 30), toward the value system underlying the common good economy.

The ECG assumes that developing the values in principle and as well as developing them in businesses in practice is a process that requires transparency and problem-focus. It may be that the so-called ‚economic values‘ and the inherent predisposition for negative values such as egocentrism are in effect showing a much stronger impact in reality (in Aristotele’s words, *in actu*) compared to the potential positive value orientation (in Aristotele’s words, *in potentia*). The consequence is thus that we may have to re-learn such a positive value orientation.

Taking this into account, the ECG has developed a structural instrument (matrix) around five core values. This *Common Good Matrix* aims to help people in businesses to take the common good path and in doing so to find their own fulfillment through their tasks. In light of the focus on sharing and distributing values and interests, interest groups matter. Therefore, Felber introduces the notion of ‚succeeding relationships‘ („gelingenden Beziehungen“) as it applies to succeeding communities that achieve their relationships to be in accordance to the common good values.

In particular, Felber argues that if we let interpersonal and ecological relationships succeed and thus develop, this could lead to a new meaning of performance and economic success.⁸ As a consequence, he puts forward that a new economy could emerge, a new economy of connectedness that could prove an alternative to an economy of separation.⁹

The five core values of the *Common Good Matrix* as they were developed by the ECG development team are built upon 17 ‚indicators‘ which themselves are based on a total of 56 sub-indicators that together aim to provide a holistic view of a business’s current common good path, thereby going beyond the single focus on corporate social responsibility measures. Each indicator can be achieved in terms of four development steps: first steps, advanced, experienced and excellent (Felber 2012: 40). All values, indicators and sub-indicators are put into the context of the relationships with stakeholder groups, such as suppliers, investors, employees as well as including business owners, customers, business partners and the social environment (see matrix below).¹⁰

⁷ Schiller, Friedrich: *Über die ästhetische Erziehung des Menschen*; Verlag Freies Geistesleben; Stuttgart; 1961. In English: https://issuu.com/rdilip/docs/schiller_letters_aesthetic_education_of_man

⁸ „Das Gelingenlassen von zwischenmenschlichen und ökologischen Beziehungen würde in der Gemeinwohl-Ökonomie zur neuen Bedeutung von Leistung und wirtschaftlichem Erfolg.“ (Felber 2012: 107).

⁹ Eisenstein, Charles: *Ökonomie der Verbundenheit*, Scorpio, Berlin, München, 2013. In English: <http://sacred-economics.com/about-the-book/>

¹⁰ More under: <https://old.ecogood.org/en/english-downloads>

COMMON GOOD MATRIX 4.1

This version is valid for Common Good Balance Sheets generated in 2013

| STAKEHOLDER | VALUE | Human dignity | Cooperation and Solidarity | Ecological Sustainability | Social Justice | Democratic Co-determination and Transparency |
|-----------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A) Suppliers | A1: Ethical Supply Management Active examination of the risks of purchased goods and services, consideration of the social and ecological aspects of suppliers and service partners | | | | | 90 |
| B) Investors | B1: Ethical Financial Management Consideration of social and ecological aspects when choosing financial services, common good-oriented investments and financing | | | | | 30 |
| C) Employees, including business owners | C1: Workplace quality and affirmative action Employee-oriented organizational culture and structure, fair employment and payment policies, workplace health and safety, work-life balance, flexible work hours, equal opportunity and diversity | 90 | C2: Just distribution of labor Reduction of overtime, eliminating unpaid overtime, reduction of total work hours, contribution to the reduction of unemployment | C3: Promotion of environmentally friendly behavior of employees Active promotion of sustainable lifestyles of employees (mobility, nutrition), training and awareness-raising activities, sustainable organizational culture | C4: Just income distribution Low income disparity within a company, compliance with minimum and maximum wages | C5: Corporate democracy and transparency Comprehensive transparency within the company, election of managers by employees, democratic decision-making on fundamental strategic issues, transfer of property to employees |
| D) Customers / Products / Services / Business Partners | D1: Ethical customer relations Ethical business relations with customers, customer orientation and co-determination, joint product development, high quality of service, high product transparency | 50 | D2: Cooperation with businesses in same field Transfer of know-how, personnel, contracts and interest-free loans to other business in the same field, participation in cooperative marketing activities and crisis management | D3: Ecological design of products and services Offering of ecologically superior products/services; awareness-raising programmes, consideration of ecological aspects when choosing customer target groups | D4: Socially oriented design of products and services Information, products and services for disadvantaged groups, support for value-oriented market structures | D5: Raising social and ecological standards Exemplary business behavior, development of higher standards with businesses in the same field, lobbying |
| E) Social Environment: Region, electorate, future generations, civil society, fellow human beings, animals and plants | E1: Value and social impact of products and services Products and services fulfill basic human needs or serve humankind, society or the environment | 90 | E2: Contribution to the local community Mutual support and cooperation through financial resources, services, products, logistics, time, know-how, knowledge, contacts, influence | E3: Reduction of environmental impact Reduction of environmental effects towards a sustainable level: resources, energy, climate, emissions, waste etc. | E4: Investing profits for the Common Good Reducing or eliminating dividend payments to extern, payouts to employees, increasing equity, social-ecological investments | E5: Social transparency and co-determination Common good and sustainability payments, participation in decision-making by local stakeholders and NGO's |
| Negative Criteria | Violation of ILO norms (international labor standards) / human rights -200 Products detrimental to human dignity and human rights (e.g. landmines, nuclear power, GMO's) -200 Outsourcing to or cooperation with companies which violate human dignity -150 | Hostile takeover -200 Blocking patents -100 Dumping Prices -200 | Massive environmental pollution -200 Gross violation of environmental standards -200 Planned obsolescence (short lifespan of products) -100 | Unequal pay for women and men -200 Job cuts or moving jobs overseas despite having made a profit -150 Subsidiaries in tax havens -200 Equity yield rate > 10 % -200 | Non-disclosure of subsidiaries -100 Prohibition of a works council -150 Non-disclosure of payments to lobbyists -200 Excessive income inequality within a business -150 | |

Each indicator receives a certain number of points, providing the basis for an assessment that thereby strives to increase the objective nature of the assessment. The *Common Good Matrix* functions thus to measure the extent of the orientation of businesses toward the common good.¹¹ This orientation is measured through a combination of self-assessment (balance sheet), peer-evaluation (provided by multiple businesses) and external audit (which includes an assessment report and a certification).¹²

The assessment process starts from level zero, which typically reflects legally accepted minimum standards that include common good and thus sustainability standards. A number of negative criteria have been identified below this threshold, such as the failure to comply with international labor standards (ILO), hostile takeovers, blocking patent trolls, dumping prices etc., which lead to point deductions. The common good status of a business above this zero-threshold at the point of assessment is identified and characterized by a number of positive criteria which thus generate positive points.

Taking the results from the budgeting and auditing procedure into account, the business conducts a self-assessment on a scale from minus 2950 to plus 1000 points. The results are also converted into a color scheme and a spider chart (see Figure 1 and 2 below).

¹¹ Edited versions of the matrices and thus guidelines have been developed for communities, Universities and business clients.

¹² More details can be found here: <https://old.ecogood.org/en/common-good-balance-sheet>

| | |
|-----------------------|--|
| -2950 to 0 points | |
| 0 to 300 points | |
| 301 to 500 points | |
| 501 to 800 points | |
| 801 to 1000 points | |

Figure 1: GWO color scheme

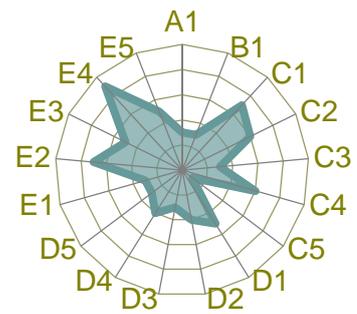


Figure 2: GWO spider chart

Ideally, the company management takes these results and develops a strategic plan jointly with its employees in a participatory manner. This plan details of how the common good characterization of the company could be improved in the future. Finally, the company should publish the results of the auditing process on its homepage.

The overall goal of all economic activity under the common good orientation is a meaningful contribution to the entire development of society. Meaningful, in this context, refers to the Handbook of the Economy of the Common Good, and means that the production and delivery of goods and services should be done in accordance with satisficing basic human needs. Furthermore, meaningful with respect to producing and delivering goods and services refers to their appropriate and thus moderate use (“sufficiency”) by the consumer (GWO-Handbook: 101, 141). The notion of contribution to the entire development of society is understood in terms of each company’s obligation to fulfill its social responsibility and in terms of each company’s ability to make an appropriate contribution to society as a whole within its means. This is to be done so as to increase the ability of society as a whole and the ability of the respective community in which the company operates, to increase the development opportunities of individuals within society (GWO-Handbook: 149).¹³At present, there are about 200 companies in Germany, Spain and Austria that have been assessed and audited voluntarily, and fulfill the common good matrix criteria. However, Felber argues to change this: „The more points a company achieves under the common good framework, the more legal advantages it should obtain from the regulator. It should be in the very conservative spirit of justice in performance-orientation: If you do more for society, you should be compensated by society. Today, we already have appropriate incentive mechanisms; it is only required to provide performance incentives appropriately under the common good orientation, for example: a lower value-added-tax (0 to 100 percent), a lower import-tax rate (0 to 1000 percent), more favorable loan conditions, advantages for purchases by the general public and for public procurement contracts, advantages for research cooperation with public research institutions as well as direct public subsidies“ (Felber 2012: 47).

Since businesses which work under the common good framework can typically be expected to operate under higher costs, Felber envisages with the above propositions that these higher costs can be compensated for through the above incentives and the provision of advantages. Furthermore, Felber envisages that other actors will subsequently also jump on the bandwagon of the common good economy, such as suppliers to common good companies, banks as well as end-customers as they are increasingly orienting themselves toward common good criteria.

¹³ Internal document for companies and auditors for self-assessment and the assessment of other companies, according to the criteria of the CGE Matrix.

2. Two Company short case studies

a) Life Food (brandnames Taifun and Tukan), Freiburg i. Breisgau, Germany



The company was established in 1987 as a manufacturer of high quality organic tofu products. Today, LifeFood is the largest producer of this kind in Europe (www.taifun-tofu.de). The company employs about 230 employees and is 100% owned by a company foundation. The equity ratio is 40%.

The following sections deal primarily with the process of creating a balance sheet, which was inquired through the audit process itself and via a Skype interview with Managing Director Alfons Graf. According to the auditing process, Life Food has achieved 575 points from the scale of minus 2950 to plus 1000 points (<http://www.taifun-tofu.de/de/zertifizierungen>). The initial idea to engage with the concept of the Economy for the Common Good (ECG) goes back to the founder of Life Foods, Mr. Wolfgang Heck.

„Mr. Heck had been reading something about the Economy for the Common Good, and thus set the first impulse. As a result, the company management then dealt more intensively with this topic and was able to discover a number of ECG principles in Life Food. This has led the company management to attend an event in which Christian Felber gave a lecture. And it was in this context that we were also striving to connect directly with Mr. Felber, which has succeeded in spite of his tightly knit schedule.“ (Alfons Graf, Managing Director).

This sequence of how principles of the ECG are picked up by and incorporated into a company is typical for other companies, too. Christian Felber's lectures, TV appearances (especially those on Austrian TV), are the first entrance to the ECG for many company managers. For Life Food, the next question arose: „What does this now mean for us? For our company, not all things associated with the ECG have been comprehensible. How do you get managers and employees connected with the topic?“

Question: „When you look back and think of Christian Felber (...), what has been an absolute highlight from among his statements that led you to say: wow, this is something that we can implement very well in our company.“ (Volker Jäger).

„This picture relating to the change of the incentive system (point 1), emphasizing that money is not the measure of all things, but merely a means. Further, the fact that the employees and the

relationships are very much at the center of things. And besides, the role of balance and sustainability was also an important aspect for us.“ (Alfons Graf).

Subsequently, Alfons Graf took over the project management as a "torchbearer" of the ECG ideas during the company's accounting efforts. A project group was formed from all hierarchical levels and from all areas of business with almost 20 employees. These were initially trained in the ECG topic and then asked to interrogate all indicators and subindicators in interviews with the help of a ECG consultant from the regional group Freiburg.

The most central aspects of the accounting process were as following:

First, the enormous interest of the employees, who could identify themselves with the ECG without having to go through this process top-down. During the audit (August 2016), the enthusiasm of the employees was very visible in each sequence.

„Many employees were able to connect with the topic and wanted to contribute to putting it into practice. And then this thought: we illuminate ourselves where we stand as a company. To achieve the highest possible score was not the real focus for us.“

Much of what is required by the ECG-Matrix has been a long-established philosophy and practice of LifeFood. Yet up to this point, it had never been made explicit and systematic, and we were therefore only implicitly aware of these common good economy qualities.

"As we were going through the accounting process, one got the feeling that a certain awareness about the qualities of the common good economy as they are relevant to us affect us much deeper and wider. Those groups who conducted the interviews became once again aware of the connectedness of the issues at hand (...). So, this impetus for connectedness trickled down to each individual employee."

Second, the systematic accounting and auditing provides the basis for "distilling priorities" through suggestions and recommendations. In which areas do we want to change, improve? And then follow up on the topics consistently. There would be, for example, the issue of employee participation, where we have performed less well. "

The issue of employee participation arose from an employee survey and then more intensively during the accounting process. This issue concerns indicator C5 of the CGE-matrix (internal democracy and transparency) whose subindicator C5.4 calls on employees to be given the right to participate in providing legitimacy to company executives, the right for co-determination in principle and in framework decisions and co-ownership. In this area (C5.4.), the company has committed itself to setting the course for the next two years in order to achieve the necessary progress.

There were two other highlights of the accounting and auditing process:

First, Life Food is exemplary in A1 of the ECG-Matrix (Ethical Procurement Management). The purpose of this indicator is to answer the question of how the value-chain is designed in accordance with ECG principles. At LifeFood, this concerns the handling of producers, i.e. supporting them in production, development, consulting, which even includes the bearing of harvest risk. For example, in an exceptional year with great drought, the farmers were proactively paid a water penny, which compensated in part for the extra costs of irrigation¹⁴. The internal agricultural center of Life Food for soybean cultivation and development (LZ Soja) is responsible for the cultivation of soybeans and for the development of the most important varieties of raw material. As part of an innovative research project together with the University of Hohenheim, 2400 hobby gardeners across Germany were able

¹⁴ taken from the company's ECG-report

to test new soy varieties, which are particularly suitable for colder regions. Employees of the LZ Soja have been responsible for consulting with the hobby gardeners.

With respect to E1 of the ECG-Matrix (which refers to the meaning and social impact of the products / services), the organically produced tofu covers the basic human needs for healthy nutrition, while it also serves the earth with correspondingly low emissions, in particular with regard to the meat industry. The ecological footprint for the same amount of tofu is 0.7 kg CO₂ compared to 13.3 kg CO₂ of beef production. This corresponds to a saving of almost 95% climate-damaging greenhouse effects.

LifeFood also supports an organic soil cooperative, which has set itself the task of buying up agricultural land across Germany and leasing it as an organic cultivation area to organic farms.

As a result of its activities, Life Food has received the award of being a „best practice company“ by the German Sustainability Monitor of the German Association for natural goods (Bundesverband Naturkost Naturwaren.¹⁵). Furthermore, Life Food has been nominated for the German sustainability award and the environment award of the Federal state of Baden-Württemberg 2016.

b) The savings bank of Dornbirn („Dornbirner Sparkasse“, Vorarlberg, Austria)

During 1819, the Austrian savings bank was founded near Vienna with Priest Johann Baptist Weber as chairman.¹⁶ Its initial objective was to make banking accessible to a broader population base. Weber believed that where there was a savings bank, people would be better off. The Dornbirner Sparkasse AG was subsequently established as a community bank by the city of Dornbirn in 1867 and was converted into a stock corporation in 2002. The shares are since owned by a bank entity in charge of administering the shares (the Dornbirner Anteilsverwaltungsparkasse) and by the city of Dornbirn. The bank has 14 branches in the province of Vorarlberg. It has approximately 350 employees and has a balance sheet of 2.3 billion euros (2015). At 18.3% (2015), the equity ratio was well above that of many of the larger business banks.

The *Dornbirner Sparkasse* has adapted its strategy for 2020 with intensive involvement of its employees. It takes its values-based thinking and acting of customer orientation as a means to be close to the people, and as a means of appreciation, openness, trust, determination, courage, sustainability etc. very seriously. During the process of strategy planning and in the context of the common good accounting, these values have been deepened and received an even more binding commitment.

"The fact that the common good balance sheet has now entered the corporate strategy has helped us to achieve a very significant advance. I also believe that we have worked very hard on further integrating the common good economy foundations during the establishment of the second common good balance sheet." (Head of Corporate Communications).

¹⁵ <https://www.nachhaltigkeitspreis.de/sonstige/partner/>

¹⁶ https://de.wikipedia.org/wiki/Erste_Bank

Performance and success-orientation as further guiding principles are not an obstacle to a common good orientation. When we compare the accounts for the fiscal year 2013 with those of 2015, we observe that the savings bank has made significant progress, for example on three accounts: basic principles, promotion of ecological behavior, ethical customer relationship and ethical financial management).

As a result of reverting to the fundamentals of the savings bank in the process of establishing the common good balance sheet, there was a renaissance of the original values, a re-amplification of the DNA of the company and the fact that one had gained much support for strengthening the fundamental orientation of the bank (statement from the chairman of the board).

During the year 2013, the bank's management team together with a large project group of employees, decided to generate their first common good balance sheet in 2014, as well as their second in 2016, and they also decided to have them audit and certify externally. The first audit resulted in a series of recommendations that prompted the Bank to plan and implement relevant measures. During the audit of October 4, 2016, the core team confirmed that the discussions as well as the communication of written results regarding the common good balance sheet had triggered a great deal of action and willingness to implement the findings from the common good balance sheet in all of them.

"By putting things down in writing, we moved a lot in our minds. And as a result, from my point of view, we also committed ourselves to further developing ourselves. If we just hold on and do not develop further, then that does not fit in my view. The simple act of documenting triggers something in us." (core team member).

A significant result of generating the common good balance sheet is that processes of awareness have been triggered among employees. The understanding of the common good criteria by individual employees was found to have been increased. In the view of the head of corporate communication:

"Much of the feedback indicated that the employees were really proud of the process. And this feedback came almost from every team. In addition, in various surveys, the commitment to the common good and to the balance sheet was explicitly mentioned. This provides employees a better understanding of themselves and their values. And this is an essential aspect in an industry where it is becoming increasingly difficult to find good employees. The people, the colleagues, recognize in generating the balance sheet simply meaning. In other words, this gives your work an additional meaning and you also feel supported by this sense. And in spite of all the effort to generate the balance sheet in writing, the process pays off."

As part of generating the common good balance sheet, the bank's employees were very much inspired to develop a mobility management plan (C3: ecological behavior of employees in the ECG-matrix). The project involved a total of 50 employees. The basis was a personal analysis according to the Austrian ecological footprint (<http://www.mein-fussabdruck.at/>) as well as a mobility survey. The results from this double "footprint" showed that the employees had an average planetary consumption of 5.7 gha with a range between 1.4 and 12.1 gha. The average gha consumption in Austria is 5.31. The result of the survey was also that 31% of the employees still use the car for commuting to work.

From the results of the mobility analysis, measures were derived to promote ecological behavior. In 2016, a model experiment (project "ecomiles") was modeled on another company in Vorarlberg.

„In order to make it easier for employees to switch from their car to a sustainable means of transport, the Dornbirner Sparkasse offered e-bikes as part of a hire-purchase contract. (...) There

was a shopping discount for selected bicycle dealers, who are also customers of the Dornbirner Sparkasse. The bank supported every e-bike purchase with an additional 200.- €." (taken from the common good report of the bank). Meanwhile, employees had changed their mobility behavior. "Due to the high level of bicycle enthusiasm of the employees, we erected an additional covered bicycle parking area in the headquarters in 2105." (taken from the bank's common good report)

As far as ethical financial management is concerned (B1 in the ECG-matrix), it inquires about the extent to which such ethical issues are anchored in the company, with which financial service providers ethical quality is upheld, and whether common good-orientated assessments as well as common good-oriented corporate financing is undertaken. The ethical customer relationship (D1 in the ECG-matrix) includes for example all the measures for the selection of customers according to ethical considerations.

From the last audit, the assessment policy has been revised in the sense of B1 and D1. The chairman of the board of management commented:

„When an investment decision was due into higher-yielding assets, we could have quickly failed the aspirations we had set ourselves. However, by going through the process of establishing the common good balance sheet, we asked ourselves: do we really want to invest in bank XY with its business model? Do we want to support this by buying bonds or shares from this bank? The discussion has since to be conducted from the ethical point of view of the Economy for the Common Good, and no longer purely from the risk point of view. And this is a huge step for me. Although it would make sense from a commercial perspective, because stock prices are low, for example, we have decided not to make decisions solely from a business perspective. We now must add the additional ethical dimension during decision-making, even if this would lead to the withdrawal from those investment decisions that would be most interesting from a purely business point of view. We have not had this discussion with the same intensity in the past.“

As a consequence of this discussion, the *Dornbirner Sparkasse* has abstained from investing in this bank. In the view of the chairman of the board of management, a further effect of becoming familiar with the common good economy in the context of investment policy is that it has sharpened the bank's views, because it provides a more open perspective and thereby raises the awareness of the importance to make decisions that are both commercially appropriate as well as ethical.