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December 31, 2013

Commissioner Bob Martin
New Jersey Department of Environmental Protection (NJDEP)
401 E. State St.; 7th Floor, East Wing; P.O. Box 402
Trenton, NJ 08625-0402

Subject: Suggestions for the Next “Economic Growth and Environmental Stewardship” Speech

Dear Commissioner Martin:

I find myself for the second time commenting critically on a NJDEP Commissioner’s speech. Years ago, as the Sustainability Team Leader at NJDEP, I risked career suicide in an email to one of your predecessors after a speech he had just given on Sustainability. While he was not happy to read it, and twice publicly mentioned “being excoriated by Matt Polsky,” his next speech on this topic was much better. I enjoyed telling him that. Later when I told him I was leaving NJDEP, I think he meant it when he said he hoped I did not.

(In contrast, I was mostly in synch with a third NJDEP Commissioner, at least when it came to sustainability, and we wrote an article together. See http://s2concepts.com/article_main_pg.htm.)

I attended your December 5th talk to the Morris County Chamber of Commerce on “Environmental Stewardship and Economic Growth.” I base my remarks here, in part, on **what was not mentioned**. I hope a rethink by another Commissioner can happen again.

Your focus was on customer service at NJDEP and the ways you are pursuing this through such means as flexibility, employee training, providing answers more quickly, LSRPs, fixing what is broken, etc. There is **nothing necessarily wrong** with these things **if a part of a larger picture** of what has been called a “**Green Economy**” in New Jersey, **but not** as a standalone treatment. Not under such a theme such as the Chamber’s.

Efficiency of government processes can be a legitimate component of a larger vision. But without this vision, it both does nothing to get New Jersey businesses ready for the resource-constrained world of the 21st century; or of the opportunities available to them if they, too, change from a “business-as-usual” mindset. Climate change, for example, is going to hurt New Jersey businesses, through impacting their supply chains, continuity, costs, possibly social acceptance to increasingly empowered stakeholder groups, and—very importantly--how their customers (both intermediate and final) think of them. They **are not ready** for what is to come! Leaving them alone does them no favors.

(In contrast to your statement that we “put info out there...don’t want people to have to use OPRA,” a colleague of mine was refused the NJDEP’s Clean Air Council’s report: [Addressing the Adverse Effects of Climate Change on Air Quality](#), and had to resort to OPRA to obtain it. And regarding the guiding principle you stated: “What does science say?,” I’d be interested to

know the department's response to their recommendations, especially for compliance with the Global Warming Response Act's goal of an 80% reduction of greenhouse gases by 2050. This, also, could be part of your future talks, including on the above theme. The "normalcy" you mentioned the "Governor wants to bring to the coast" is not going to happen, for business or anyone else. We need both to realize and prepare for it, **while not giving up** on strong mitigation to avoid making hard problems even worse.)

I've discovered over the years that perhaps NJDEP's biggest problem, shared by its business and even its environmental constituencies (as well as the Legislature, the press, and most of academia) is a "there's nothing new under the sun" attitude. In contrast, there's a lot new—both on the threats and **also the opportunities sides**. However we need to be open, inquisitive, creative, bold; and be prepared to reject old, but out-of-date assumptions. Someone has to tell these constituencies, particularly business. It might as well be NJDEP.

As an example of some very new thinking in the business field, see this September, 2013 report co-written by your former employer, Accenture, about the **views of CEOs** on business and sustainability: http://www.accenture.com/Microsites/ungc-ceo-study/Documents/pdf/13-1739_UNGC%20report_Final_FSC3.pdf. I have enclosed a couple of sections and also show some excerpts below:

- "Business is not playing its part in forging a sustainable future. There is a growing recognition that even the success currently achieved by the most advanced companies is happening within an unsustainable system
- CEOs were confident that business could lead the way in tackling sustainability challenges. 84% of CEOs believe that business should lead efforts to define and deliver new goals on global priority issues
- 93% of CEOs regard sustainability as key to success. Many CEOs told us that the urgency of global challenges provides an opportunity to differentiate their products and services...
- Unlocking the potential of the private sector, CEOs believe, demands a step change in ambition and action. CEOs remain convinced that sustainability will transform their industries. Transformational leaders are approaching sustainability differently, providing a model for greater impact and value creation
- ...81% of executives emphasize the need for governments to set a policy framework for 'economic development within the planetary boundaries of environmental and resource constraints'..."

So while we don't usually hear it, it is not so radical to say that business must do more. Note they also use the word "transformation;" as you do when referring to NJDEP. But they recognize they cannot do it by themselves. And quiet, non-proactive, leave-business-alone-and-let-them-create-jobs government is not what these CEOs seem to want. A [GreenBiz.com](http://www.greenbiz.com) article by Andrew Hutson (<http://www.greenbiz.com/blog/2013/12/06/why-ceos-should-take-megaphone-sustainability-policies>) quotes Eric Roston of [Bloomberg News](http://www.bloomberg.com) saying about the Accenture report: "Many CEOs are keenly interested in sustainability and environmental action, but feel frustrated by the lack of broad policy support from the government... The survey found that business leaders want policy makers to set rules that provide incentives for environmental action,

and stop rewarding the dinosaurs (including those who sell what's left of pre-historic times to fill our gas tanks).”

So government must actually do new things! Hence, part of a vision for a NJDEP role.

It follows that a problem with a sole efficient and friendly government theme is it says nothing about the **urgency** of environmental threats, and the need (as shown in the Accenture CEO survey) for **more** environmental protection activities **by business**. Of course, they also need to hear why they should do more, some of the ways they could actually incorporate the environment into their business practices to create value, including some very innovative ways we're seeing for the first time in an increasing range of environmental areas. In a surprising, but very welcome area, a few companies are now looking at their impacts **and dependence on** ecosystems and biodiversity, quantifying the financial impact of these, and seeing how they can do better. Besides showing leadership, it probably doesn't hurt that some financial institutions agreed at Rio +20 to start requiring companies they fund to do this. These companies will therefore be better positioned, and will gain competitive advantage.

More and more companies are employing sustainability activities, but, in contrast to what some think, by and large I do not believe it is true that “New Jersey companies are leading” in these practices. Most of the leadership I see is coming from elsewhere, and I read the sustainable business press (see below) several days a week.

You may know about the sustainable business field, sometimes called Corporate Social Responsibility (CSR) or Green Business. The field can be learned about and followed through journals (e.g. Greenbiz.com, [Sustainable Brands](http://SustainableBrands.com)), conferences, books, lectures, videos, courses (e.g. Bard's new green MBA). But it **still** seems pretty much a secret based on what is and isn't discussed in the usual places about the relationship between the economy and the environment, which hasn't really changed over the years. In contrast, I'd like to see New Jersey become recognized as **the consensus leader** in CSR (and for **all sized** companies). I propose that as a good part of the vision for New Jersey's economy and environment. Then we can have lots of discussions about the new possibilities, and how to get there (even if we don't ever accept that as the specific vision), including NJDEP's role.

In contrast, I was struck by the total absence of any mention to this audience of two quiet CSR initiatives NJDEP is **already doing** (as well as a third with which it is involved as a partner) that could help participating companies or new recruits, at least start or move up their sustainability learning curves. These are NJDEP's Sustainable Business Initiative (SBI), managed by the Sustainability Office; the Stewardship initiative, managed by the Enforcement Division; and the Local Economies activities within Sustainable Jersey.

I have spent a lot of time helping these initiatives (for free, as a voice in the wilderness), attending their advisory meetings, sending them materials, including on cutting edge practices, commenting on their drafts; and think their quality has improved from where they started. While they would all benefit from being part of a larger vision, which would facilitate more ambitious design goals, these **are now** quality efforts by your competent staff. But when you don't mention them--and to a business audience, the impression is that they aren't very important.

In New Jersey, the hub of thinking about sustainable business is the Institute for Sustainable Enterprise (ISE) at Fairleigh Dickinson University, where I am a Senior Fellow. You and your people are always invited to our events, but with the exception of our once giving an award to one of your staffers for the above Enforcement Program, they are prevented from attending because of travel restrictions. Therefore, they cannot learn from us, and thus might not be up on the latest possibilities; we cannot learn their view of the world; cannot jointly figure out what might and might not work; and, therefore, cannot make our state a special place for CSR.

Please consider making exceptions as we have two talks coming up during the first half of the new year by major sustainable business figures, who will likely argue that despite the progress we have seen in business' sustainability actions, we have a long way to go! As noted above, even CEOs agree! We may have another forum, too, on how to talk to people with very different views—something I believe we **all** could be better at, even us sustainability pundits.

Hoping you are interested, I have enclosed four additional items: (1) a White Paper ISE did on a "Sustainable Growth Strategy" for New Jersey;" (2) a survey we did on New Jersey business' sustainability actions, and their motivations, with your Sustainability Office's help; (3) an article I co-wrote based on the survey results; and (4) another article I wrote years ago on New Jersey's then-economic/environmental strategy for Greenbiz.com. The first of these went to the Governor's Office (GO), and then I guess to oblivion. While I wouldn't expect you to agree with every implication or recommendation in these, the total absence of **anything** from them in speeches to groups like the Morris Chamber is a major lost opportunity to improve **both** New Jersey's economy **and** its environment. We don't get many such opportunities.

(It is also very frustrating to me as the main vehicle for over two decades now for these ideas, both within and outside of NJDEP, but I guess I'm mostly used to it.)

A few years ago, I brokered a relationship between ISE and your Sustainability office, but more is possible. However, the Commissioner has to set the lead.

An ISE colleague, Jeana Wirtenberg, will be discussing her very new book on sustainable business, [Building a Culture for Sustainability](#), at an SBI meeting at NJDEP on February 4th. Please consider personally attending, even if you don't accept my suggested vision. Your presence, both symbolically, and even better to learn and engage, would be welcome. Further, it would be ideal if you could also bring senior management from NJEDA and the GO.

While no one enjoys being criticized, I hope you see the above as helpful and worthy of reflection. I would also enjoy someday writing you a second letter, very positive and complimentary in tone, about New Jersey's pioneering leadership in pursuing the Green Economy we need, and NJDEP's indispensable role in helping to make that happen.

Sincerely,

Matt Polsky
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