

ISSUE 2



Is Sustainable Development Compatible With Human Welfare?

YES: Dinah M. Payne and Cecily A. Raiborn, from "Sustainable Development: The Ethics Support the Economics," *Journal of Business Ethics* (July 2001)

NO: Ronald Bailey, from "Wilting Greens," *Reason* (December 2002)

ISSUE SUMMARY

YES: Professor of management Dinah M. Payne and professor of accounting Cecily A. Raiborn argue that environmental responsibility and sustainable development are essential parts of modern business ethics and that only through them can both business and humans thrive.

NO: Environmental journalist Ronald Bailey states that sustainable development results in economic stagnation and threatens both the environment and the world's poor.

Over the last 30 years, many people have expressed concerns that humanity cannot continue indefinitely to increase population, industrial development, and consumption. The trends and their impacts on the environment are amply described in numerous books, including historian J. R. McNeill's *Something New Under the Sun: An Environmental History of the Twentieth-Century World* (W. W. Norton, 2000).

"Can we keep it up?" is the basic question behind the issue of sustainability. In the 1960s and 1970s, this was expressed as the "Spaceship Earth" metaphor, which said that we have limited supplies of energy, resources, and room and that we must limit population growth and industrial activity, conserve, and recycle in order to avoid crucial shortages. "Sustainability" entered the global debate in the early 1980s, when the United Nations secretary general asked Gro Harlem Brundtland, a former prime minister and minister of environment in Norway, to organize and chair the World Commission on Environment and Development and produce a "global agenda for change." The resulting report, *Our Common Future* (Oxford University Press, 1987),

defined *sustainable development* as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs." It recognized that limits on population size and resource use cannot be known precisely; that problems may arise not suddenly but rather gradually, marked by rising costs; and that limits may be redefined by changes in technology. The report also recognized that limits exist and must be taken into account when governments, corporations, and individuals plan for the future.

The Brundtland report led to the UN Conference on Environment and Development held in Rio de Janeiro in 1992. The Rio conference set sustainability firmly on the global agenda and made it an essential part of efforts to deal with global environmental issues and promote equitable economic development. In brief, sustainability means such things as cutting forests no faster than they can grow back, using groundwater no faster than it is recharged by precipitation, stressing renewable energy sources rather than exhaustible fossil fuels, and farming in such a way that soil fertility does not decline. In addition, economics must be revamped to take into account environmental costs as well as capital, labor, raw materials, and energy costs. Many add that the distribution of the Earth's wealth must be made more equitable as well.

Given continuing growth in population and demand for resources, sustainable development is clearly a difficult proposition. Some think it can be done, but others think that for sustainability to work, either population or resource demand must be reduced. Not surprisingly, many people see sustainable development as in conflict with business and industrial activities, private property rights, and such human freedoms as the freedoms to have many children, to accumulate wealth, and to use the environment as one wishes. Economics professor Jacqueline R. Kasun, in "Doomsday Every Day: Sustainable Economics, Sustainable Tyranny," *The Independent Review* (Summer 1999), goes so far as to argue that sustainable development will require sacrificing human freedom, dignity, and material welfare on a road to tyranny.

In the following selections, Dinah M. Payne and Cecily A. Raiborn argue that environmental responsibility and sustainable development are essential parts of modern business ethics. Because the consequence of the activities of all members of society, including business, "is an environment that is either habitable or one that is not," all people have a responsibility toward the environment and each other; the basic issue is "life versus death." Ronald Bailey argues that preserving the environment, eradicating poverty, and limiting economic growth are incompatible goals. Indeed, vigorous economic growth provides wealth for all and leads to environmental protection.

Dinah M. Payne and
Cecily A. Raiborn



Sustainable Development: The Ethics Support the Economics

Introduction

The field of business ethics is rampant with diverse issues and dilemmas. One critical ethical issue has, for many years, received significantly less attention than it merited: the responsibility of business organizations to their environments. Organizations world-wide have created and have faced resource depletion and pollution. However, there now seems to be a distinct and overt embracing of environmental social responsibility by many companies. This new-found interest may have been generated, in part, by gatherings such as the Rio de Janeiro (Earth) Summit and Kyoto Protocol. But, more importantly, these gatherings have spawned a plethora of groups focused on the issue of environmental social responsibility and, specifically, the issue of sustainable development. What is this concept and why should it concern businesses and their managers? Why should sustainable development be viewed as an ethical responsibility of businesses? To what extent should businesses attempt to engage in sustainable development activities? And what actions, beyond legal requirements, can be and are being taken by businesses to promote this concept with its resultant benefit to all business stakeholders?

Issue Definition and Identification

The term *sustainable development* was introduced in the 1970s, but actually became part of mainstream vocabulary during and after the 1987 World Commission on Environment and Development (also known as the Brundtland Commission). The Commission defined sustainable development as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs." On the surface, this definition seems to be fairly simplistic, but the issue's breadth and depth create complexities.

To more fully and meaningfully refine the concept, the Earth Council indicated that such development should be economically viable, socially just,

and environmentally appropriate. An additional expansion suggested that sustainable development should mean that the basic needs of all are met and that all should have the opportunity to fulfill their aspirations for a better life. The definition postulated by the World Business Council for Sustainable Development is that sustainable development is "the integration of economic development with environmental protection and social equity." Several complicated and sensitive issues are inherent in these definitions.

First, how can the "needs" of the present be differentiated from the "wants" of the present as well as how can the needs of the future be ascertained currently? Into this debate fall questions such as how can nonexistent future generations be protected and to what extent should today's civilization be sacrificed to protect future generations? Although the answers to these questions are arguably unanswerable, it is apparent that business has some responsibility to provide goods and services to the world. The free market helps "push" businesses to produce the goods and services currently desired for purchase (whether these goods are needed or simply wanted). Additionally, businesses partially establish future needs and wants of consumers through product development in response to current external pressures (desires communicated from consumers) as well as current internal abilities (research and scientific discoveries). In responding to these current pressures or abilities, many businesses utilize life-cycle analysis to assess potential future environmental impacts of product design, manufacturability, and recyclability.

Second, relative to what context or benchmark should "economically viable" be determined? This term could mean radically different things between businesses in developing and in developed nations, between start-up and long-standing businesses, or between business having significant environmental impacts and those having minimal environmental impacts. In each of these three scenarios, the cost of sustainable development would generally be more expensive (in relative cost to revenue proportions) to the former companies than to the latter. Thus, what might be deemed economically viable for a large retailer in England might mean financial ruin for a small mining company in Haiti.

There is a clear trend in the developing world towards better environmental policies that include the pursuit of economic development alternatives that minimize negative environmental impacts. Evidence also exists to indicate that "through technological change, substitution between resources, and higher prices for goods that pollute, environmental objectives and economic growth can be made more compatible." In regard to technological change, it is generally true that as technology advances, it becomes more efficient. Thus, because the industrialization process in developing countries often begins with the use of outdated technology, production may be environmentally expensive (the lower efficiency contributes to increased resource depletion and less emphasis on pollution control). As technology becomes more sophisticated, efficiency increases causing an increase in productive activity with fewer defects and spoilage, and thus a decline in the rate at which resource depletion occurs. Additionally, as the country advances, less environmental pollution may be tolerated. In the last stage of industrialization, organizations use advanced (more efficient and cleaner) technology, causing a net decline in

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resource depletion and pollution. Per capita income and social and governmental consciousness about the environment also rise; more "green" laws are written and enforced. Thus, an inverted U-shaped curve can be used to represent the changes in a society that starts at a point without environmental quality, rapidly advances, and then slows and turns around when that society has the time and/or money to spend to protect the environment.

Third, how and by what party should "socially just" development or "social equity" be determined? These factors would depend on who was obtaining the benefit from the development, what form that benefit took, what level of economic development existed in the area, whether resources consumed were replenishable, and what political and social issues were being faced or remedied.

Last, how and by what party is "environmentally appropriate" development to be judged? This judgment must reflect the answer to whether the environment should be protected for its own sake and/or for the sake of human inhabitants. Ecological ethicists argue that non-human inhabitants are intrinsically valuable and, thus, deserve respect and that humans have duties of preservation towards them. Alternatively, even if the intrinsic value of the environment and its non-human inhabitants is refuted, a livable environment is owed to all humans so that they may be permitted to fulfill their capacities as rational and free beings. Healy asserts that future sustainability will require a reorientation away from the human-centered (or anthropocentric) anthropological view towards more nature-centered (or ecocentric) view. Thus, determination of "environmentally appropriate" would commonly be more an issue of perspective than one of specific activity. Some individuals and businesses will take a broad perspective and assess the impact of an activity on the overall current and future physical environment (not just that part inhabited or used by humans). Other individuals and businesses will take a narrow perspective and assess the impact of the activity on the surrounding environment in the here-and-now.

Regardless of the definition or the diverse possible answers to definitional issues, it is clear that all publics (businesses, consumers, regulatory agencies, scientists, communities, and governments) are touched by the concept of sustainable development. All of these publics interact, directly or indirectly, and face the same outcome, which will not be locale-by-locale, industry-by-industry, or political party-by-political-party based. The long-term consequence of the activities of all publics is an environment that is either habitable or one that is not. That being the case, each public separately and all publics collectively have a responsibility towards the environment and each other to better understand sustainable development and to strive to achieve meaningful progress towards its attainment. Thus, the ethical issue in sustainable development is the basic issue of life versus death; if business and all other publics do not begin practicing the tenets of sustainable development, life as it currently exists will be extinct.

Businesses and their managers should be concerned about sustainable development for many reasons. Economic pragmatists would base their arguments on the simple fact that, without sustainable development, neither busi-

nesses nor the societies in which they exist will have a long-run future. Others believe that engaging in sustainable development will be a megatrend that will enhance organizational reputations. Others believe that sustainable development can be used by businesses as a unique core competency to obtain a strategic competitive advantage. All three rationales are valid and serve to stress the need for responsible business to pursue sustainable development in the current competitive reality.

Sustainable Development as an Ethical Issue

A 1996 survey of American and Canadian corporate executives included the question, "Why does, or will, your company practice sustainable development?" On a 10-point scale of level of importance, the responses of (1) promoting good relations and (2) creating shareholder value scored, respectively, 8.1 and 7.3. However, more importantly, the two most highly ranked responses were (1) to comply with legal regulations and (2) a moral commitment to environmental stewardship (8.8 and 8.5, respectively). Thus, there is evidence that business executives recognize that sustainable development can and should be viewed as part of the interwoven framework of business ethics. Ethicists would applaud such a view and could use the theories of utilitarianism, rights/duties, and the categorical imperative to provide the underlying support.

In making a utilitarian analysis of businesses' implementation of sustainable development concepts, the "greatest good or least harm for the greatest number" principle can be easily envisioned. The stakeholders involved are all the earth's inhabitants, both human and non-human. Sustainable development would create the greatest good or least harm by allowing those inhabitants (and potential offspring) to exist in a world where the air is breathable, the water is drinkable, the soil is fertile, and renewable resources thrive. It is difficult to use traditional monetary cost-benefit analysis to determine whether sustainable development is worthwhile. First, although many current and future costs could be estimated and discounted back to present values, it is probably impossible to even comprehend what types and amounts of costs might be necessary in the future. Second, the benefits of sustainable development are significantly more qualitative than monetarily quantitative; for example, how can the value of a living species be estimated? But, even without finances attached, the result would be undeniably conclusive: no matter how high the costs of sustainable development are, the benefits of current and continued existence by the earth's species *must* exceed that cost. Ethically, the benefits of life outweigh the costs to obtain it.

Analyzing sustainable development activities by business entities using the theory of right/duties addresses the issue of whether an inhabitable environment is a moral right.... Blackstone postulated that access to livable environment is a human right because such an environment is essential for humans to fulfill their capacities. Thus, everyone has the correlative moral obligation to respect that right. Rawls and Kant would support this concept because of the rationality of people being entitled to rights that do not

infringe upon others' rights. A human's inhabitable environment includes other living creatures, flora, fauna, and resources (e.g., air, water, and minerals). These non-human elements of the planet are not responsible for, nor can they correct, the ecologically damaging discharges of pollution or disproportionate use of resources created by humans. Thus, businesses, as collections of human beings, have the duty to engage in sustainable development activities so as to mitigate their environmental impacts and help in providing, protecting, and preserving a livable environment.

In its determination of morality as objectively and universally binding, Kant's categorical imperative would support businesses' sustainable development actions. Proponents of Kantianism, however, would be quick to point out that sustainable development activities should be performed from duty, not simply from inclination or self-interest. In other words, businesses should not engage in sustainable development because such activities will reduce costs, increase revenues, or provide an advantageous reputation. Businesses should engage in sustainable development because, in the minds of all rational people, reclaiming and preserving the earth's environment as well as limiting pollution and resource depletion is the "right" thing to do. In the final analysis, sustainable development represents an action that would be right and valid "even if everyone were to violate it in actual conduct."

Sustainable development is, then, an important and ethical value to be upheld by businesses. But some aspects of sustainable development are more clearly pursued, or pursued to different degrees, by some publics than by others.

Level of Sustainable Development Efforts for Businesses

From the standpoint of businesses, it is important to ascertain which sustainable development issues can and cannot be addressed. Businesses cannot pass laws or treaties to protect the environment, enact land reforms, or control populations. Businesses cannot force consumers to recycle, reuse, or slow consumption. Businesses, in general, cannot produce the scientific knowledge that will end global warming, save the rain forests, or eliminate pollution. Businesses cannot stop societal development. And businesses cannot decide to pursue totally altruistic environmental goals without any concern for profitability or longevity. (To do so would be to guarantee organizational failure: owners would remove financial backing because they could not achieve a reasonable return on investment; employees would look elsewhere for jobs because they could not rely on continued employment; and suppliers would limit or revoke credit because they could not be assured of payment.)

Although businesses cannot do any of the things mentioned above unilaterally, there are many things that they can do. Businesses can influence passage of laws through lobbying and other efforts. They can influence consumer behavior (through product development and packaging, encouraging consumer recycling and reuse, and community awareness activities). Businesses

can (through research agendas and new product discovery and development) help reduce or eliminate pollution causes. Businesses can also influence how societal development will occur and what the impact of that development will be through their location and technological investment choices. And businesses can undertake a strategy of pursuing sustainable development in conjunction with profitability and longevity to the benefit of all organizational stakeholders. Such a strategy would focus on both current and future eco-efficiencies.

Given the myriad of opportunities for engaging in environmentally "correct" or, at a higher level, sustainable development activities, how should a business determine its participation? One possible technique would be the use of the hierarchy of ethical behavior suggested by Raiborn and Payne. The hierarchy consists of four degrees of achievement:

- basic (reflects minimally acceptable behavior that complies with the letter, but not the spirit, of the law);
- currently attainable (reflects behavior deemed moral, but not laudable, by society);
- practical (reflects extreme diligence toward moral behavior; achievable but difficult); and
- theoretical (reflects the highest potential for good or the spirit of morality).

Basic Level of Behavior

A business operating at the basic level of behavior would merely comply with the laws of the jurisdictions in which it operates. Such an organization would make no sustainable development efforts because the concept is not embedded into the law in any country in the world. This organization would remain within legally acceptable pollution levels, although it would possibly view those levels as hindrances to productive activities. Such organizations ... would more than likely espouse (although quietly) the following beliefs: *We recognize that the environment is not a "free and unlimited" good. However, environmental laws cost money that could be going to support the economic goal of increased shareholder value. We will operate within the law, but will not seek environmental improvements beyond the law.* Thus, these companies' behaviors would be deemed legal, but not necessarily ethical.

Currently Attainable Level of Behavior

A business operating at the currently attainable level of behavior would acknowledge that some benefits do arise from engaging in environmentally-friendly activities that are not legally mandated. These organizations, however, probably engage in such activities for the "wrong" reasons (according to the categorical imperative): cost reduction, revenue enhancement, or reputation improvement. In other words, the activities are likely to provide short-term monetary benefits greater than their costs.... These companies would more than likely espouse the following belief: *We recognize that the environment is not a "free and unlimited" good. Environmental laws are necessary because business*

should be held responsible to remove the damaging effects they have had and to reduce or limit the future impacts they will have on the earth's ecosystems in their role as society's major tangible goods producers. We will operate within the law and will seek to find environmental improvements that reduce costs or improve productive activities so that short-term profits are enhanced and shareholder value is increased. These organizations may be viewed by society as environmentally-conscious companies that are operating for the greater good ... but, in reality, the greater good is primarily that of the organization.

Practical Level of Behavior

A business operating at the practical level of behavior would also acknowledge that benefits arise from engaging in environmentally-friendly activities. These organizations, however, would strive to do the "right" thing relative to the environment because it is "right" rather than because of short-term profits or reputation. These businesses and their managers recognize the need for, and worth of, environmentally sound production and marketing practices. These organizations would attempt, in their varying activities, to engage in environmental innovations that might be expensive but that would provide the most beneficial future outcomes. In doing so, the businesses would hope that consumers would recognize the benefits of such innovative practices are worth purchasing at a higher cost than those of less environmentally sensitive competitors. There should be no question that these businesses are profit-motivated: management has a fiduciary duty towards a number of groups (among which are shareholders, creditors, employees, and consumers) to maximize profits and, therefore, efficiency. "For both infrastructure and services, it has to be recognized that private sector participation will be achieved only on the basis of an acceptable expected revenue scheme."

... These companies would more than likely espouse the following belief: *We recognize that the environment must be protected, not only through laws but also through our own proactive involvement. We will find and implement environmental improvements and innovations for our products and processes, knowing that consumers will recognize the long-run benefits of our actions and be willing to support those actions with their purchasing decisions. Through this strategy, we believe that we will provide high quality products that have the least detrimental environmental impact on our local and global community.* Thus, these organizations view themselves as forerunners in the area of environmental protection, for the sake of all stakeholders. But these companies have not crossed the line from overt environmental concern to cutting edge, world-class leadership in sustainability.

Theoretical Level of Behavior

A business operating at the theoretical level of behavior would have incorporated the idea of sustainable development into its organizational strategy. There would be no "piecemeal projects aimed at controlling or preventing pollution. Focusing on sustainability requires putting business strategies to a new test. Taking the entire planet as the context in which they do business,

companies must ask whether they are part of the solution to social and environmental problems or part of the problem." These organizations ... would more than likely espouse the following belief: *The new paradigm must view the environment as fundamental to the business', society's, and the earth's continued existence. It is to be protected and replenished through all human and machine investments that are necessary to secure our place and the place of others (both human and nonhuman) on this planet. In doing so, our organization will be cost efficient from waste reduction and resource productivity maximization. Our business will be respected by our stakeholders; our products and services will be desired and recognized as value-added; and our eco-efficiency will enhance organizational profitability and promote organizational longevity.* These organizations take the concept of "walking the talk" completely literally.

What Actions Can and Are Being Taken by Businesses?

One statistic starkly exhibits the crisis that looms: "By the year 2030, world population will double from 5.5 billion to 11 billion.... To provide basic amenities to all people, it is estimated that production of goods and energy will need to increase 5 to 35 times today's levels." Such changes will cause further environmental strain and perhaps irreparable damage. Can the earth assimilate the massive pollution and resource depletion inherent in such growth? Should economic growth be pitted against environmental and human health? Will implementation of sustainable development activities require a change in consumption habits and, if so, what habits of whom should be altered? Will technological innovation arise as the hoped-for panacea, such that consumption habits may remain unchanged? Can stakeholders accept, encourage, and reward through product/service purchases and organizational investment business actions toward sustainable development? Answers to these questions would obviously ameliorate the chance for efficacious solutions. Unfortunately, only simple answers can be provided for these complex questions at this time. Significant research needs to be performed to ascertain the answers that are the most ethical and the most eco-efficient. But one thing is clear: if businesses, as the manufacturers and providers of the world's products and services, do not begin individually and collectively to immediately work toward a solution, after some point there will be no solution to achieve.

Businesses should not be considered as irresponsible entities that must be forced into doing the ethical thing with regard to environmental protection or sustainable development. Businesses recognize the symbiotic relationship between the environment, consumers' demands, and the provision of goods and services to the world's communities. Businesses also recognize the synergistic relationship between them and the environment/society in which they operate. It would be irrational to suggest that business could exist without society and equally irrational to suggest that society could exist as well as, better, or at all in the absence of business. In other words, business and society need each other for practical reasons: businesses want to provide goods and services that society needs and/or wants....

Shrivastava has suggested that, as a beginning, businesses strive to attain various goals that are commensurate with the goals of sustainable development. He suggests that energy conservation techniques could be employed that would have a positive impact on pollution and resource depletion. Businesses could also engage in resource regeneration aimed specifically at the reduction of resource depletion. Additionally, he promotes environmental preservation, which strengthens and is strengthened by arguments that the environment itself is worthy of care and protection, aside from its human-associated values. To implement these three goals, businesses can improve processes, educate employees, provide consumer advice, perform research, be prepared for emergencies, and listen openly to concerns.

A final, but very important method by which businesses can strive toward sustainable development is to join with others to form organizations focused on this goal. Some of these organizations include the World Trade Organization's Committee on Trade and Environment, the World Business Council for Sustainable Development, the International Chamber of Commerce's Commission on Environment, and the United Nations Environment Program. As aptly stated in the International Chamber of Commerce Commitment to Sustainable Development:

all sectors of society, including government, business, public interest groups and consumers, have a role to play in contributing to sustainable development, and they must work in partnership, bringing their values and experience to bear on the challenge. Sustainable development will only be achieved if each one plays its part. Each sector should focus on what it can do best, but, through partnerships, local, national or even global, we can build on the strengths of each group.... Business is best suited to contributing to sustainable development in the economic sphere—through the creation of wealth in an environmentally sound manner.

Conclusions

Businesses need to assert their commitment to sustainable development over and above environmental legalities. As indicated by Porter and van der Linde, "Regulators tend to set regulations in ways that deter innovation. Companies, in turn, oppose and delay regulations instead of innovating to address them. The whole process has spawned an industry of litigators and consultants that drains resources away from real solutions."

Who, in business, should lead the way in the pursuit of sustainable development goals? The easiest answer is that global, multinationals based in highly developed countries should be the leaders; some of these entities have already begun the journey. Another answer is that those entities creating the biggest environmental problems should lead the way. The most appropriate answer, however, is that organizations whose stakeholders recognize the necessity of sustainable development as part and parcel of the company's need to act ethically should be the role models.

Businesses, acting alone, cannot create sustainability. If the internal and external stakeholders are not willing to adopt the concept of sustainability as

a long term necessity, then should businesses view the idea as not worthy and expunge it from the organizational strategy? Absolutely not! As indicated within the paper, there is significant interaction between and among all value chain constituents. And, similar to the spread of high product and service quality as a priority among value chain members, as one member of the value chain demands a view of sustainable development, so will others. In some cases, there will be a trickle-down effect; in others, there will be a waterfall.

It is time that businesses realized that environmental responsibility and sustainable development are part and parcel of business ethics. Rules can be written and laws can be passed about pollution control or environmental degradation, but the framework to which these are bound is the minimum or basic level of acceptable behavior. Like a corporate code of ethics, an environmental policy will reflect the corporate culture from which it stems. The companies that move in a continuous path up the hierarchy of ethical behavior from merely complying with legalities to integrating sustainable development concepts into strategic initiatives and mission statements are companies whose managers understand, espouse, advocate, and uphold the fundamentals of business ethics. These are also the companies and managers that are well aware that ethical business is good business. These are the long term survivors.



Wilting Greens

It's clear that we've suffered a number of major defeats," declared Andrew Hewett, executive director of Oxfam Community Aid, at the conclusion of the World Summit on Sustainable Development, held in Johannesburg, South Africa, in September. Greenpeace climate director Steve Sawyer complained, "What we've come up with is absolute zero, absolutely nothing." The head of an alliance of European green groups proclaimed, "We barely kept our heads above water."

It wasn't supposed to be this way. Environmental activists hoped the summit would set the international agenda for sweeping environmental reform over the next 15 years. Indeed, they hoped to do nothing less than revolutionize how the world's economy operates. Such fundamental change was necessary, said the summiteers, because a profligate humanity consumes too much, breeds too much, and pollutes too much, setting the stage for a global ecological catastrophe.

But the greens' disappointment was inevitable because their major goals—preserving the environment, eradicating poverty, and limiting economic growth—are incompatible. Economic growth is a prerequisite for lessening poverty, and it's also the best way to improve the environment. Poor people cannot afford to worry much about improving outdoor air quality, let alone afford to pay for it. Rather than face that reality, environmentalists increasingly invoke "sustainable development." The most common definition of the phrase comes from the 1987 United Nations report *Our Common Future*: development that "meets the needs of the present without compromising the ability of future generations to meet their own needs."

For radical greens, sustainable development means economic stagnation. The Earth Island Institute's Gar Smith told Cybercast News, "I have seen villages in Africa ... that were disrupted and destroyed by the introduction of electricity." Apparently, the natives no longer sang community songs or sewed together in the evenings. "I don't think a lot of electricity is a good thing," Smith added. "It is the fuel that powers a lot of multinational imagery." He doesn't want poor Africans and Asians "corrupted" by ads for Toyota and McDonald's, or by Jackie Chan movies.

Indian environmentalist Sunita Narain decried the "pernicious introduction of the flush toilet" during a recent PBS/BBC television debate hosted by Bill Moyers. Luckily, most other summiteers disagreed with Narain's curious disdain for sanitation. One of the few firm goals set at the confab was that adequate sanitation should be supplied by 2015 to half of the 2.2 billion people now lacking it.

Sustainable development boils down to the old-fashioned "limits to growth" model popularized in the 1970s. Hence Daniel Mittler of Friends of the Earth International moaned that "the summit failed to set the necessary economic and ecological limits to globalization." The *Jo'burg Memo*, issued by the radical green Heinrich Böll Foundation before the summit, summed it up this way: "Poverty alleviation cannot be separated from wealth alleviation."

The greens are right about one thing: The extent of global poverty is stark. Some 1.1 billion people lack safe drinking water, 2.2 billion are without adequate sanitation, 2.5 billion have no access to modern energy services, 11 million children under the age of 5 die each year in developing countries from preventable diseases, and 800 million people are still malnourished, despite a global abundance of food. Poverty eradication is clearly crucial to preventing environmental degradation, too, since there is nothing more environmentally destructive than a hungry human.

Most summit participants from the developing world understood this. They may be egalitarian, but unlike their Western counterparts they do not aim to make everyone equally poor. Instead, they want the good things that people living in industrialized societies enjoy.

That explains why the largest demonstration during the summit, consisting of more than 10,000 poor and landless people, featured virtually no banners or chants about conventional environmentalist issues such as climate change, population control, renewable resources, or biodiversity. Instead, the issues were land reform, job creation, and privatization.

The anti-globalization stance of rich activists widens this rift. Environmentalists claim trade harms the environment and further impoverishes people in the developing world. They were outraged by the dominance of trade issues at the summit.

"The leaders of the world have proved that they work as employees for the transnational corporations," asserted Friends of the Earth Chairman Ricardo Navarro. Indian eco-feminist Vandana Shiva added, "This summit has become a trade summit, it has become a trade show." Yet the U.N.'s own data underscore how trade helps the developing world. As fact sheets issued by the U.N. put it, "During the 1990s the economies of developing countries that were integrated into the world economy grew more than twice as fast as the rich countries. The 'non-globalizers' grew only half as fast and continue to lag further behind."

By invoking a zero sum version of sustainable development, environmentalists not only put themselves at odds with the developing world; they ignore the way in which economic growth helps protect the environment. The real commons from which we all draw is the growing pool of scientific, technological, and institutional concepts, and the capital they create. Past generations have left us far more than they took, and the result has been an

explosion in human well-being, longer life spans, less disease, more and cheaper food, and expanding political freedom.

Such progress is accompanied by environmental improvement. Wealthier is healthier for both people and the environment. As societies become richer and more technologically adept, their air and water become cleaner, they set aside more land for nature, their forests expand, they use less land for agriculture, and more people cherish wild species. All indications suggest that the 21st century will be the century of ecological restoration, as humanity uses physical resources ever more efficiently, disturbing the natural world less and less.

In their quest to impose a reactionary vision of sustainable development, the disappointed global greens will turn next to the World Trade Organization, the body that oversees international trade rules. During the summit, the WTO emerged as the greens' *bête noire*. As Friends of the Earth International's Daniel Mittler carped, "Instead of using the [summit] to respond to global concerns over deregulation and liberalization, governments are pushing the World Trade Organization's agenda." "See you in Cancun!" promised Greenpeace's Steve Sawyer, referring to the location of the next WTO ministerial meeting in September 2003. That confab will build on the WTO's Doha Trade Round, launched last year, which is aimed at reducing the barriers to trade for the world's least developed countries.

The WTO may achieve worthy goals that eluded the Johannesburg summit, such as eliminating economically and ecologically ruinous farm and energy subsidies and opening developed country markets to the products of developing nations. Free marketeers and greens might even form an alliance on those issues.

But environmentalists want to use the WTO to implement their sustainable development agenda: global renewable energy targets, regulation based on the precautionary principle, a "sustainable consumption and production project," a worldwide eco-labeling scheme. According to Greenpeace's Sawyer, nearly everyone at the Johannesburg summit agreed "there is something wrong with unbridled neoliberal capitalism."

Let's hope the greens fail at the WTO just as they did at the U.N. summit. Their sustainable development agenda, supposedly aimed at improving environmental health, instead will harm the natural world, along with the economic prospects of the world's poorest people. The conflicting goals on display at the summit show that at least some of the world's poor are wise to that fact.



Is Sustainable Development Compatible With Human Welfare?

The first of the Rio Declaration's 22 principles states, "Human beings are at the centre of concerns for sustainable development. They are entitled to a healthy and productive life in harmony with nature." Any solution to the sustainability problem therefore should not infringe human welfare. This makes any solution that involves limiting or reducing human population or blocking improvements in standard of living very difficult to sell. Yet solutions may be possible. David Malin Roodman suggests in *The Natural Wealth of Nations: Harnessing the Market for the Environment* (W. W. Norton, 1998) that taxing polluting activities instead of profit or income would stimulate corporations and individuals to reduce such activities or to discover nonpolluting alternatives. In "Building a Sustainable Society," *State of the World 1999* (W. W. Norton, 1999), he adds recommendations for citizen participation in decision making, education efforts, and global cooperation, without which we are heading for "a world order [that] almost no one wants." (He is referring to a future of environmental crises, not the "new world order" feared by many conservatives, in which national policies are dictated by international [UN] regulators.)

Julie Davidson, in "Sustainable Development: Business as Usual or a New Way of Living?" *Environmental Ethics* (Spring 2000), notes that efforts to achieve sustainability cannot by themselves save the world. But such efforts may give us time to achieve new and more suitable values. It is thus heartening to see that the UN World Summit on Sustainable Development was held in Johannesburg, South Africa, in August 2002. Its aim was to strengthen partnerships between governments, business, nongovernmental organizations, and other stakeholders and to seek to eradicate poverty and make more equal the distribution of the benefits of globalization. See Gary Gardner, "The Challenge for Johannesburg: Creating a More Secure World," *State of the World 2002* (W. W. Norton, 2002), and the United Nations Environmental Programme's Global Environmental Outlook 3 (Earthscan, 2002), prepared as a "global state of the environment report" in preparation for the Johannesburg Summit.

The World Council of Churches brought to the Johannesburg Summit an emphasis on social justice. Martin Robra, in "Justice—The Heart of Sustainability," *Ecumenical Review* (July 2002), writes that the dominant stress on economic growth "has served, first and foremost, the interests of the powerful economic players. It has further marginalized the poor sectors of society, simultaneously undermining their basic security in terms of access to land, water, food, employment, and other basic services and a healthy environment."

Is social justice or equity worth this emphasis? Or is sustainability more a matter of population control, of shielding the natural environment from human impacts, or of economics? A. J. McMichael, C. D. Butler, and Carl Folke, in "New Visions for Addressing Sustainability," *Science* (December 12, 2003), argue that it is wrong to separate—as did the Johannesburg Summit—achieving sustainability from other goals such as reducing fertility and poverty and improving social equity, living conditions, and health. They observe that human population and lifestyle affect ecosystems, ecosystem health affects human health, human health affects population and lifestyle. "A more integrated ... approach to sustainability is urgently needed," they say, calling for more collaboration among researchers and other fields.

An attempt to achieve a somewhat different kind of integration is visible in Thomas Prugh and Erik Assadourian, "What Is Sustainability, Anyway?" *World Watch* (September–October 2003). The authors define sustainability as having four components—human survival, biodiversity, equity, and life quality. Survival, they say, must come first because without it the rest do not matter. Yet, they conclude, "human environmental blunders and excesses are not likely to threaten us as a species." The other three components thus become the more important, even though all are very closely related.

