CORPORATE SUSTAINABILITY: Accountability and the Pursuit of the Impossible Dream

Rob Gray and Jan Bebbington

Centre for Social and Environmental Accounting Research

University of St Andrews

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1. Introduction

Corporations are, at the risk of over-simplification, the engines of the economy. They are the key means through which economic activity takes place (and, under the neo-liberal agenda, will increasingly be so). Corporations are so often the seat of innovation through which growth is sought and, apparently, achieved. They are, indubitably, the site of increasing economic and political power, (see, for example, Korten, 1995). It seems incontrovertible that, in the absence of a fundamental change in the political will of governments (especially those of the developed world), any serious examination of sustainability and how it might be achieved must have the corporation at its heart. (For more detail, see, for example, Hawken et al, 1999; Gladwin et al, 1995; Kovel, 2002)

And yet that is precisely what the Rio Earth Summit, through the good offices of the International Chamber of Commerce (ICC) and (what became known as) the World Business Council for Sustainable Development (WBCSD), managed to avoid. The Earth Summit explicitly excluded the corporate world from its analysis and recommendations on the apparently sober grounds that the sustainable development agenda was safe in the hands of business and that business would deliver sustainability to the people, (see especially Mayhew, 1997). However implausible – even impossible - such a claim might seem, many leading corporations have adopted the language of sustainable development as their own and have, if anything, stepped up the level of claims for the sustainability of their companies’ operations, (see, for example, SustainAbility/UNEP, 2001, p10). To what extent are such assurances valid? The truth of the matter is that no-one knows. As we shall see below, the business community seems strangely reluctant to produce convincing evidence to support its claims of sustainability. At the same time, the prima facie case is that the primary engine of economic development is the source of the un-sustainability not its cure as the evidence of planetary sustainability continues to go in the wrong direction (Meadows et al, 2004).

It is this crucial matter that we will try and un-pick in this chapter. The following section a number of the key systemic elements of the relationship between corporations and sustainability and then section 3 examines whether or not there is a "business case" for the adoption of sustainability. Section 4 looks at the potential of eco-efficiencies and social responsibility in the move towards sustainability whilst section 5 looks at a selection of the new accounting systems that try and measure (aspects of) sustainability at the corporate level. Section 6 of the chapter explores reporting for and about sustainability whilst section 7 provides some brief conclusions.

2. Corporations and Approaches to Sustainability

"Corporate Sustainability" has more than a little of the oxymoron about it. Corporations – at least large, modern, western corporations relentlessly guided by the irresistible exigencies of financial markets – are driven to seek out growth in the name of profitability. Only in the most unlikely of circumstances can such (relatively single-minded pursuit of) growth be seen as "sustainable". Perhaps the growth might succeed, through impressive (and often utterly elusory) eco-efficiencies, to reduce the ecological footprint of the organisation or even the industry. Perhaps single-mindedly ensuring that the shareholders receive at least the level of increase in returns that they expect really does increase the welfare and well-being of all the communities that the organisation touches. But it is not especially likely – and any conscious steps taken by the corporation towards greater social justice and/or reduced ecological footprint are only bi-products of a fairly relentless searching out of cost reductions, risk reductions and income opportunities.

So if one were seeking to move away from un-sustainability, it is not so very obvious that the corporation would be the place to start. What is more, the larger corporations – and, most especially, business representative groups – do seem to be pathologically apposed to any form of "linkering with the market" (what most people would call regulation) that might offer any kind of perceived restriction on corporate wealth-creation opportunities (sic). To avoid any such constraints, business furiously lobbies in many overt - and increasingly subtle - ways, thus ensuring that any attempts to, for example, mandate formal accountability over sustainability; develop taxation regimes that might (for example) internalise externalities and thus significantly reduce the production of waste; or move towards massive reductions in energy use; are stifled by business for a range of very obvious reasons. (This was so clearly demonstrated at the Rio Earth Summit. See, for example, Welford, 1997; Mayhew, 1997; Eden, 1996). There was a time when it was popular to think that a major purpose of the state was to monitor and regulate business – a risible notion it now seems when a major task of business appears to be to monitor and regulate the State, (see, for example, Bakan, 2004).

There is another compelling reason to think that if we wish to get there (sustainability) one would be advised not to start from here (the corporation in advanced global financial capitalism). That is, sustainability itself is primarily a global concept. Whilst it can be developed to sit comfortably at regional and eco-systems levels and it might, at a stretch, make some oblique sense at a factory or site level, to equate a spatial concept like "sustainability" with a financial concept like "corporation" involves a considerable intellectual leap of faith. That is, it seems difficult to imagine there being any level of economic activity where each and every element is sustainable in its own right (see below again). It is less difficult – although still very testing - to imagine a sustainable world in which groups of economic activity are collectively sustainable.

And yet the current system of economic organisation means that the primary locus of power, decision-making, privilege and economic (as well as social and environmental) impact in the economy is at the level of the organisation. This disjunction must be addressed in
some way. And whilst we can never, by definition, know whether a global or regional position of "sustainability" has been reached by a focus exclusively on organisational performance, we may well be able to gain a more detailed and analytical understanding of the situation we face and bring the "engines of the economy" formally back into the reckoning by examining the degree of un-sustainability[7] of the corporate sector.

Such a strategy would operate on the principle that whilst we may never know what a "sustainable" corporation looked like, we could certainly identify un-sustainable organisations. If all (or most) economic organisations can be seen to be significantly un-sustainable then we may conclude that our economic system is, itself, un-sustainable. Furthermore, we may, under a series of different assumptions[8], begin to assess the likely extent of that un-sustainability and, consequently, the size of the sustainability mountain that mankind will have to climb if it is to survive.

It is with this that the work around corporations and sustainability has been principally concerned. Some authors have sought, with varying degrees of success, to imagine what corporations in a sustainable world might look like (Hawken et al. 1999; Williams, 1998). A particularly insightful approach has been taken by the widely acclaimed Factor 4[9] in which are outlined a number of the technological solutions from which a sustainable economy might be built. This analysis then leads to an examination of what are the current impediments in the present economy which stop these possibilities being realised and, conversely, what major surgery is needed on the corpus economicus to permit innovative and sustainable solutions to emerge and become the norm. Further work has also been initiated which seeks to examine how groups of organisations in a particular locale might mutually support each other in the development of "sustainability parks" (see, for example, Clayton et al., 1999). But perhaps the greatest effort in this, still emerging, area has been directed at what organisations can (as opposed to should) do (the art of the possible) that may take them closer to a position of sustainability. Broadly, this effort has led to initiatives concerned with eco-efficiencies and social responsibility, (in this the WBCSD has perhaps been the most prominent); initiatives concerned to develop new metrics and information systems for organisations; and, thirdly, initiatives concerned with developing wider and more detailed accountability. It is on these three that the rest of the chapter will concentrate.

3. The Business Case for Sustainability?

Before proceeding with an, inevitably, brief examination of efforts and initiatives in the field, it is necessary to try and spell out a central tenet – and, indeed, a central source of conflict - in the development of the notion of the sustainable corporation. That is: is it, or can it ever be, in businesses' own self-interest to pursue sustainability? To read much business literature (most notably Corporate Annual Reports and Sustainability Reports – see below) and, more particularly, to listen to business commentators and representative groups (SustainAbility/UNEP, 2001; Schmidheiny, 1992) one would be left with the impression that a business pursuing the maximisation of shareholder wealth (or whatever analogue of maximising profits is currently in fashion) faces little or no conflict when asked to seek out sustainability. That is "the business case" for a corporation to pursue sustainability is frequently offered as self-evident[10]. Unfortunately, little or no evidence is offered for this contention[11], rather it seems as though the corollary – that business might not be sustainable – is quite simply un-thinkable and is, therefore, treated as if no such possibility could exist.

The problem here is threefold. First, one is left questioning, if the case for sustainable development at the corporate level is so self-evident, why are most companies are not pursuing it? (And why, indeed, do they actively resist any suggestion that business might move in this direction?) Second, one is also left wondering, if corporations are so clearly either sustainable or on the path to sustainability why are they so patently unwilling to share the evidence to this effect in their reporting? (We examine this issue more fully below). Finally, it seems to us (and we are far from alone in this view) that the prima facie case must be that business is actually un-sustainable and likely to remain so under present economic and legal arrangements. Consider the following.

At its simplest, the standard definition of sustainability (from the Brundtland Commission, WCED. 1987) requires that the needs of present generations and the needs of future generations are met and that this involves both environmental and social justice for both the present and the future generations. The WBCSD (Schmidheiny, 1992) coined the notion of ‘eco-efficiency’ (which they define as "doing more with less") to capture the issues of "environmental justice" and environmental stewardship in terms which business can understand. However, whilst eco-efficiency may well capture the reduction in use of environmental resources per unit it fails to capture increases in total environmental resources through material growth in consumption and production. To capture this latter notion we have coined the phrase eco-effectiveness (in order to capture the difference indicated by the notion of the ecological footprint). So, for a condition of sustainability to obtain, there must be fairly reliable evidence that a total of six conditions (as represented by the six cells shown in Figure 1) are being satisfied. Our judgement of the evidence is that there is no evidence to suggest more than one or two of the least important are currently being satisfied – even under the most rose-tinted of interpretations[12].

3.1. The Needs of the Present Generation

The Needs of the Present Generation

- Social Justice
- Eco-Efficiency
- Eco-Effectiveness

3.2. The Needs of Future Generations

- Social Justice
- Eco-Efficiency
- Eco-Effectiveness

Adapted from Gray and Bebbington (2001)

The importance of this argument is that, if it is indeed the case that there are a number of substantial conflicts between the pursuit of conventional profit and the pursuit of sustainability, then (i) business will struggle to deliver sustainability and (ii) experiments and initiatives by organisations should, if they are of substance, reveal the conflict. (Such experiments should also show how and why the conflicts arise and the difficulties they present to the corporation). Initiatives vary considerably in this regard.
4. Towards The Triple Bottom Line? Eco-Efficiencies and Social Responsibility

The first step towards a more sustainable organisation is often assumed to be thinking about what John Elkington (Elkington, 1997) termed businesses’ “triple bottom line” (TBL). The TBL comprises an economic, a social and an environmental element and, it is argued, the balancing of these three may well move organisations in more potentially sustainable directions. Whilst the economic element of the TBL might be approximated by the profit figure, many businesses and business commentators have assumed that eco-efficiency might approximate the environmental “bottom line” whilst social responsibility might approximate the social element.

There seems little question that corporations the world over have made significant strides in the direction of eco-efficiency. The reasons are simple: the natural ability of organisations to innovate has been combined with the firm’s primary motivator – profitability – in the form of a potential source of income and/or cost reduction. Energy efficiency, waste reduction and initiatives such as design for the environment all offer direct potential financial benefits to the company whilst offering the prospect of a lower environmental impact. These are, the so-called, “win-win” situations (Walley and Whitehead, 1994) that business (and its dominant measurement system, accounting) is well-equipped to seek out and exploit.

To the natural efficiencies that organisations can exploit has been added a range of additional potentials as a result of governmental initiative. Changing the taxation of certain resources; offering grants and other financial incentives for the adoption of (say) pollution reducing technology; increasing the policing of environmental performance and the associated fines; trading in emission permits and so on, all go towards offering responsive organisations new opportunities for income or opportunities for the reduction of costs. Carefully chosen, such initiatives significantly enhance the win-win possibilities facing the firm.

If these win-win situation sound mostly like “carrots”, there has also been a simultaneous increase in the “sticks” of liability and risk. Liabilities that corporations might face come in many forms – fines, loss of contracts, increases in costs and so on - but the most striking has tended to be with the liabilities for contaminated land. This has been exemplified, (again most strikingly), in the US where one of an organisation’s most valuable assets – land – can be discovered to be contaminated and a source of immense potential clean-up costs.

Such potential liabilities (with their legal overtones) merge into a more general area of “environmental risk” where an organisation might be concerned by, for example, the loss of customers, disenchantment of employees, mistrust by governments and so on as a result of its (actual or perceived) environmental performance. No organisation wises to be systematically subject to such negative affects and is, thereby, motivated to manage and reduce those risks.

It is risks such as these which lead to the adoption of (at least the rhetoric of) social responsibility. Again, here, there are win-win situations for the firm to exploit (customer and employee loyalty, reputation in the employment market, trust with regulators and so on), but there is also an increasing array of sources of encouragement and/or legislation for the enterprise to adopt practices that are understood to be more socially responsible. Indeed, it is the prospect of public embarrassment as much as any other single other thing that seems to have encouraged a wider spread of such things as Fairtrade products, product stewardship “councils” (such as the Marine Stewardship Council and the Forestry Stewardship Council) and the careful examination of child labour practices.

Whilst, on the surface at least, all of these initiatives appear to be potentially commensurate with moves towards sustainability, this is not necessarily so. There seem to be three principal reasons for this. First, the TBL is not a necessarily reliable indicator of sustainability unless, at a minimum, the three elements can be seen to be derived directly from a formal understanding of sustainability in the first place. This is quite obviously not the case here. Second, it is exceptionally unlikely that eco-efficiency can deliver a reduced ecological footprint or that the adoption of a number of risk-driven social responsibility policies can ever begin to deliver any notion of social justice. Finally, each of the initiatives voluntarily adopted by corporations (or, more generally, introduced by government with the support and advice of business) can be said to go with the “grain of market”. That is, such initiatives, by definition, must offer no challenge to any of the systemic structural issues that might give rise to the concerns that one may have about un-sustainability. Consequently, such initiatives must fail to offer any challenge to the notion of an economic activity justified through a neo-classical economics and guided by an economic-based profit measure which themselves have little or no explicit capacity for social or environmental concerns. So, again by definition, such initiatives cannot be conceptually consonant with any notion that it might be impossible for a profit seeking entity driven by an unforgiving financial market (i.e. shareholders of quoted companies) to do other than maximise consumption, maximise pollution, maximise wastefulness, and maximise externalities as a result of the relentless pursuit of profit, (see, for example, Kovel, 2002; Bakan, 2004).

As a result, we need to tread carefully around any notions (like eco-efficiency and social responsibility) that appear to sit so comfortably with business. That is, however worthy and benign these notions might appear to be and however attractive some slightly anodyne notion of TBL might appear, the chance of an approach based on these notions ever delivering anything vaguely in tune with sustainability seems diminishingly small. (For more detail, see Henriques and Richardson, 2004).

5. Beyond The Triple Bottom Line: Developing New Metrics

In an attempt to get beyond the “comfort zone” offered by environmental management and stakeholder management (the more formal terms for what we have described above) there have been a series of experiments which have sought to explore that interface of conflict between the traditional pursuit of business goals and the exigencies of sustainability. These experiments have tended to be located around the development (or exploration) of various metrics through which an organisation might address its un-sustainability, and an illustrative selection of these will indicate their potential.

One line of approach can be particularly well illustrated by a strand of work undertaken by the World Resources Institute (WRI). This approach is based on the derivation, development and application of performance indicators of less un-sustainable practices that can be used in – and about – businesses. For instance, one of the WRI publications – Sustainability Rules (Ranganathan, 1998) - syntheses over 50 studies concerned with the derivation (and, less frequently, the integration) of social and environmental indicators that can be used as adjuncts to the more traditional financial performance measurement. Perhaps the paper’s primary contribution (in addition to providing an accessible digest of this material) lies in the difficulties that it highlights: key amongst these are the near impossibility of getting any acceptance (and hence use) of indicators which are not fully integrated with the financial performance measurement systems; and the continuing difficulty of developing any sensible integration between the economic, the social and the environmental in the derivation of meta-indicators. These are problems that have dogged performance indicators for almost as long as
they have been used and the resistance to their adoption almost certainly says more about the system than it does about the indicators.

A different approach to identifying the (un-)justifiable organisation can be found in the related approaches of "sustainable cost analysis" and "sustainability gap analysis".[14] The "sustainable cost analysis" has a number of variants. At its simplest it is the application of the concept of the maintenance of man-made, renewable/substitutable and critical natural capital at the level of the organisation. The sustainable organisation would be one which maintained these three capitals over an "accounting" period allowing for expenditure on man-made and renewable capital to repair or remEDIATE or substitute for capital usage. As no organisation currently behaves like this, the "sustainable cost" is the amount that the organisation would have had to spend if it had been sustainable. The figures that result from this tend to be enormous given that, inter alia, critical natural capital is, by definition, often irreplaceable and therefore of infinite cost, (see, for example, Gray 1992). Although this approach demonstrated that few, if any, corporations are sustainable it hit a series of significant practical problems – not least amongst which is that "sustainable options" are not available to organisations and those that are available would involve quite enormous quantities of other resources – including staff time, (see, for example, Bebbington and Gray, 2001). As a consequence, the approach mellowed into an examination of remediation – what would it cost to repair the damage caused by organisational activity? (The most obvious example of this is the sequestration of carbon dioxide). It is here that Forum for the Future (an independent think-tank based in Britain) took up the story and has continued working on ways to produce usable metrics at the level of business. Whilst the work continues to show that businesses are not environmentally sustainable, in its adoption of weaker forms of sustainability as the underlying principle, the potential costs involved seem less frightening to the corporate mind, (see, for example, Howes, 2004).[15]

A very different approach has been developed by BP working in conjunction with academic and consultancy partners, (see, for example, Baxter et al, 2004). The "Sustainability Assessment Model" (SAM) is, in its initial incarnation at least, a project based system of analysis which produces a signature of the project's economic, social, environmental and resource impacts over its life. The resultant signature gives managers a handle on where the "positives" and "negatives" of the project may lie; how that signature compares with other competing possible projects and, indeed, in an ideal world, how that signature conforms to a standard set by the company concerned. The undoubted value of the "tool" lies in its making the impacts tangible in a way which managers can then address directly and seek to reduce where appropriate. And, although the signature is not the sustainability of the project as such and any simple quantification owes as much to its assumptions as to its calculations, the approach has enjoyed a widespread practical application in organisations which are seeking to formally identify how far from their "zone of comfort" the demands of sustainable development actually lie.

Key to all of the foregoing examples is that they systematically – albeit in different ways – demonstrate the un-sustainability of the organisation. The data which then emerges from these experiments offers managers of integrity the possibility of seeking to reduce that un-sustainability of operations. What seems increasingly evident, however, is that the discretion over the un-sustainability/sustainability of the organisation's activities available to any manager, regardless of their individual commitment, is fairly slight. Therefore, few, if any, corporations can successfully become sustainable without considerable outside help and systemic adjustment. But, to listen to most businesses and business commentators, (see, for example, KPMG, 2002, p26), it seems obvious that this message is not getting through – the majority, if they think about it at all, are continue to blithely assume that their organisation is sustainable. The place where these assumptions are at their most crass – but, ironically, the place where the greatest strides towards a more sustainable business community could realistically be made – is in external reporting of sustainability. It is to that that we now turn.

6. Admitting Defeat – Reporting on Sustainability

Since 1990, there has been a steady and impressive growth in reporting on social and environmental issues by corporations. The vast majority of this reporting has been voluntary – and therein lies its strengths and its weaknesses. Its strengths are that such reporting has been undertaken with the enthusiastic backing of business; it has not been stifled by minimal regulatory compliance and (at its best) it has been experimental and developmental. The down-side, however, is substantial. In essence: few corporations undertake such reporting; it tends to follow fashion (first it was environmental reporting; then it was social reporting; and now, increasingly, the fashion is for "sustainability reporting"); and the standards and the completeness of that reporting are, at best, uneven. At worst, such reporting is downright dishonest.

Detailed surveys by organisations as diverse as KPMG (1999; 2002); Corporate Register (2004); PIRC (2000) and Trucost (2004) paint a consistent but disturbing picture. Throughout the developed world, there has been a steady rise in reporting by the larger companies but only in a few countries. (notably, Japan, UK, USA, Netherlands and Germany) is this consistently more that a third of the largest 100 companies. When one turns to look at other nations or to look at slightly smaller companies in even the high-reporting countries, the proportions drop to trivial levels very quickly indeed. Reporting also varies considerably by sector. The traditionally leading sectors are pharmaceuticals, chemicals, electronics whilst retail and financial services can normally be relied upon to bring up the rear. So, here we have the first (predictable) result of a voluntary reporting regime – most companies (predictably) ignore it. However, such a result may not be a relevant source of depression in our quest to understand the sustainability of the corporation because, it transpires, the quality of the reports is almost universally trivial. Environmental reporting is relatively widespread but it is the very rarest of companies indeed which provide eco-balances by which a reader can judge environmental reporting is relatively widespread but it is the very rarest of companies indeed which provide eco-balances by which a reader can judge the un-sustainability of operations. What seems increasingly evident, however, is that the discretion over the un-sustainability/sustainability of the organisation's activities available to any manager, regardless of their individual commitment, is fairly slight. Therefore, few, if any, corporations can successfully become sustainable without considerable outside help and systemic adjustment. But, to listen to most businesses and business commentators, (see, for example, KPMG, 2002, p26), it seems obvious that this message is not getting through – the majority, if they think about it at all, are continue to blithely assume that their organisation is sustainable. The place where these assumptions are at their most crass – but, ironically, the place where the greatest strides towards a more sustainable business community could realistically be made – is in external reporting of sustainability. It is to that that we now turn.

Within those reports identified as "sustainability reports" the situation is no better and even those that are "in conformance with" the Global Reporting Initiative Sustainability Reporting Guidelines[4] provide only the most superficial data on the extent of the organisation's sustainability or otherwise. Indeed, sustainability is much more likely to be entirely ignored: it is rare to see any corporation address it all. No reasonable person could make any sensible judgement on the basis of an organisation's reporting in their "Sustainability Reports" on the whether or not the organisation was un-sustainable.[4] Given that research has also shown that the attestation or assurance statements which attach to these reports are also, at best, useless and, at worst, highly misleading we are left with a major international initiative with considerable resources behind it which has little more than hubris, smoke, mirrors and deceit to offer to society.[14] Accountability over sustainability it certainly is not. The danger, of course, is that (just as happened with partial environmental reports and even more partial social reports) the very concept on which the future of the planet depends – sustainability –
will be emasculated, appropriated and destroyed by (at best, well-meaning) assertion in the interests of corporations. As things currently stand, we believe we must treat the current crop of “sustainability reports” with the profoundest mistrust as one of the most dangerous trends working against any possibility of a sustainable future.

The tragedy is not just that such extensive resources are used to mislead and deceive society. The real tragedy is that if sustainable business organisation is ever to be achieved, then societies, individually and collectively, need to know to what extent to which corporations, with the very best will in the world, are not capable of delivering sustainability. It is this - accountability for the extent to which a corporations cannot be sustainable, socially responsible and/or environmental benign – that is the real potential of corporate reporting. Only then can societies learn whether or not (a) it is necessary to reform the corporation and/or (b) it is possible for the corporation to reform itself and/or (c) the incentives and penalty systems of the society need substantial adjustment and/or (d), as we reluctantly suspect, we face a systemic problem and un-sustainability lies at the very heart or our current advanced form of international financial capitalism. Our failure to develop substantive sustainability reporting prevents us from addressing these entirely crucial matters.

7. Conclusions

In retrospect it might seem strange that anybody ever thought that the modern, large corporation driven by unforgiving financial markets could ever deliver anything but more and more consumption and, consequently, more waste, more destruction and more externalities in the name of profit. The nature of the corporation – especially when it is owned by distant shareholders whose (legal and personal) interests in the entity typically amount to little more than increasing their risk-adjusted financial returns – is an avaricious one. As Bakan (2004) so eloquently and persuasively shows, it is not in the nature of the corporation to deliver compassion, consideration, care and restraint. It is in the nature of the corporation (as Friedman so eloquently argues) to maximise financial returns whilst playing within the rules of the game. The current rules of the game do not only not encourage those activities which we might think were essential for a more sustainable world but actually makes them impossible and often illegal. The corporation, unless society is able to substantially change the rules of the game cannot possibly deliver sustainability and we are somewhat crazy to think that it ever can. A different sort of enterprise, garnered around with rules, incentives and entirely different performance measurement and rewards structures may very well be able to deliver a less un-sustainable world. Corporations as we currently know them surely cannot.

REFERENCES

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These risks are now often collectively called "reputation risk".

These initiatives have also for a variety of reasons – mostly of pragmatic and/or political nature – given more emphasis to the absence of management capture or the agenda of social justice.

A significant exception to this is represented by a SustainAbility/UNEP (2001) publication *Buried Treasure* in which a more careful attempt to suggest that corporations as we understand them can deliver sustainability is offered. Despite SustainAbility's other work (perhaps most notably, *Who needs it?* Elkington, 1995;) the systemic challenges offered by sustainability; the lack of any evidence that a shift from our present system to a less-unsustainable one would be linear; plus the absence of any evidence on how ecological footprints might be controlled and reduced and how social justice might be re-empowered in the face of global corporations is left, disturbingly un-addressed.

Consequently the public statements from Ray Anderson, CEO of Interface (the world's largest carpet manufacturer) and during the 1990s from Body Shop executives to the effect that they, and probably no large corporation, is or can be sustainable are very valuable and important.

A state of redress might be controlled and reduced and how social justice might be re-empowered in the face of global corporations is left, disturbingly un-addressed.

It is now recognised that the economic impacts – both positive and negative – are greater than the profit figure as that figure ignores the economic multiplier effects from the organisation's financial interactions.

The US legislation, known as the "Superfund" legislation holds "responsible parties" liable for cleaning up contaminated land. Such liabilities can be greater than the original value of the land itself. For more detail see, for example, Gray and Bebbington, (2001).

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environmental sustainability than social sustainability.

[13] It should perhaps be noted that very many efforts in this area are driven by business and/or consultancy and, it seems as a consequence, do not pay particular attention to prior historical attempts in the relevant field. Thus whilst the work explicitly addressing sustainability is relatively recent, there have been experiments and initiative with social indicators, environmental indictors and other business-based attempts to develop social and environmental metrics for well over half a century. (See, for example, Gray et al, 1996 and Gray and Bebbington, 2001 for an introduction to a number of these historic areas).

[14] Both of these have within them the influence of the work of Paul Ekins and draw, to varying degrees, from the development of environmental (and later ecological) economics and owe a direct intellectual debt to, for example, David Pearce and Kerry Jacobs. And see Bebbington et al (2001) for an introduction to the issues arising with the attempt to introduce full cost accounting at the entity level.

[15] One particularly striking example of a company trying to approach such metrics within their own reporting is that of BSO Origin in the early 1990s

[16] http://www.globalreporting.org/. The Global Reporting Initiative (GRI) is a multi-stakeholder initiative which has led the field in the development of guidelines which companies wishing to approach the elusive notion of sustainability reporting may follow.

[17] Imagine a conclusion that one could make no assessment of the corporation's financial position from its financial report. I think we would be justified in those circumstances in adjudging that the reports were, at best, an expensive waste of time.

[18] For more detail see, for example, Ball et al., (2000); Owen et al., (2000).