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## What Happened to the 'Development' in Sustainable Development? Business Guidelines Two Decades After Brundtland

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### Abstract

Over 20 years ago Our Common Future presented a conceptualization and explanation of the concept of sustainable development. Since then, numerous alternative definitions of the concept have been offered, of which at least some are exclusive to each other. At the same time, the role of business in the transition to sustainable development has increasingly received attention. Bringing these two trends in sustainable development together, this paper returns to the Brundtland version of the concept to examine to what extent the original principles of sustainable development are still embedded within key business guidelines, namely the UN Global Compact, the OECD Guidelines for Multinational Enterprises, the ICC Business Charter for Sustainable Development, the CAUX Principles, the Global Sullivan Principles and the CERES Principles. The findings suggest that these business guidelines tend to emphasize environmental rather than social aspects of sustainable development, in particular to the detriment of the original Brundtland prioritization of the needs of the poorest. Furthermore, the attention to environmental aspects stresses win-win situations and has a clear managerialist focus; whereas more conceptual environmental issues concerning systems interdependencies, critical thresholds or systemic limits to growth find little attention. The normative codes and principles targeted at the private sector therefore not only add another voice to the multiple discourses on sustainable development but also contribute to a reinterpretation of the original agenda set by Brundtland towards conceptualizations of sustainable development around the needs of industrialized rather than developing countries.

**Keywords:** Brundtland Report; Caux Principles; CERES Principles; OECD Guidelines; Global Sullivan Principles; UN Global Compact; ICC Business Charter; international development

### Introduction

Discussions of sustainable development typically reach back to the definition of the concept developed by the Brundtland Commission in its landmark publication 'Our Common Future' (WCED, 1987). Typically this will be a paraphrased version of 'Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs (cf. Seuring et al., 2003). Many of the studies that purport to discuss sustainable development keep the definition of the concept pegged at the introductory statement presented over 20 years ago by the Brundtland report. Yet when they revisit this document many readers may be surprised to see that this concept is considerably expanded upon in the original source: in fact there are approximately 280 words in the summary definition and 1088 words in the elucidation that follows, spread over four pages of text (pp. 43–46). Even more surprising might be that the commonly used definition of 'meets the needs' is actually only the first two lines of the first

paragraph. In its full length, the first paragraph of the Brundtland definition (WCED, 198, p. 43) reads:

*Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs. It contains within it two key concepts:*

- *the concept of 'needs', in particular the essential needs of the world's poor, to which overriding priority should be given; and*
- *the idea of limitations imposed by the state of technology and social organization on the environment's ability to meet present and future needs.*

Since its popularization through Our Common Future, multiple discourses have emerged on sustainable development, some of which appear to be mutually exclusive (Banerjee, 2007; Luke, 2005; Redclift, 2005). As an indicator, the emphasis above on overwhelming priority to be given to the world's poor seems to be particularly lacking in many of these proliferating discussions on sustainability (Doyle, 1998). Such shifts in emphasis between 1987 and 2011 provide the rationale for this paper to revisit the original interpretation of sustainable development in the Brundtland report and to examine to what extent the principles embedded in the original elucidation are still part of discussions of sustainable development today. In doing so, we will place particular emphasis on the private sector because the private sector – alongside other societal actors – has a significant potential to address and overcome a range of economic, social and environmental challenges linked to currently unsustainable aspects of development.

Put more strongly, firms represent the productive resources of the economy and hence one cannot achieve sustainable development without business support (Bansal, 2002; Hopwood et al., 2005). Over the last few decades, many developing countries have experienced trade growth through foreign direct investment, with multinational corporations (MNCs) from the developed world expanding to these countries both through direct operations and their supply chains (Casagrande, 1999). In China, for example, the private sector has grown significantly since the beginning of the reform policy in 1978, creating jobs and contributing to economic growth that has lifted over 400 million people out of extreme poverty over two decades. The proportion of the population living in poverty fell from 53% to just 8% between 1981 and 2001 and is expected to fall to around 5% in 2015 (World Bank, n.d.). A large-scale reduction of poverty has also been realized in India, where poverty rates are expected to fall from 51% in 1990 to 24% in 2015 (United Nations, 2010). Yet, slow growth in sub-Saharan Africa and South Asia still leaves over 900 million people in poverty (UNDP, 2010). At the same time, the operational practices of MNCs working in developing countries have raised concerns with regard to social and environmental issues, such as resource extraction, loss of biodiversity, and human and labour rights (Casagrande, 1999), especially in regions where governments either have shown no willingness to regulate and deliver social well-being or simply lack the implementation capacity to do so.

Reflecting such concerns over social and environmental externalities from increasingly global MNC operations, the discussions of the role of businesses in sustainable development have undergone a particularly noticeable shift. From an emphasis on the importance of partnerships with the private sector in Agenda 21, the literature on corporate sustainability has increasingly stressed that environmental concerns need to be internalized into the strategic, operational and governance processes of corporations (Redclift, 2005; Robinson, 2004). Boundaryspanning dialogue between civil society, business and government has been promoted as a way to develop working partnerships to promote sustainability in the developing world (Eweje, 2007). Yet, in the transnational sphere, attention has also been drawn to the considerable regulatory void that surrounds the activities of MNCs (Braithwaite and Drahos, 2000); with corporate self-regulation representing one attempt to fill that void (Kolk and van Tulder, 2005). Therefore, the question of how sustainable development is

operationalized in the business context receives renewed urgency. Since the publication of Our Common Future, a number of influential normative guidelines have been published by high-profile intergovernmental organizations and business interest groups with the intention of guiding companies towards a more responsible – and more sustainable – conduct. By considering some of these current normative frameworks of global sustainable development initiatives for the private sector we hence explore whether and to what extent the initial foci taken by Brundtland have been maintained – or not.

The paper begins by considering the detailed description of sustainable development presented in Our Common

Future and distils this into a framework. We then use this framework to assess some of the major codes promoted by transnational organizations, like the United Nations (UN) or the Organization for Economic Co-operation and Development (OECD), as well as business associations, such as the International Chamber of Commerce (ICC), as key mechanisms for a transition towards more sustainable economic practice. The research objectives of the paper are therefore:

- to develop a framework that summarizes the content of the Brundtland report defining sustainable development (referred to hereafter as Brundtland framework)
- to apply this analytical framework to a range of global corporate-centred initiatives on sustainable development and
- to evaluate whether a shift has taken place from the foci of Brundtland and, if so, to outline what the nature of this shift is.

### **Dimensions of Sustainable Development**

A popular elucidation of sustainable development consists of the ‘three circles’ model of economic, social and environmental considerations, often referred to as the three pillars of sustainability and, within the corporate agenda, the ‘triple bottom line’ (Elkington, 1994). The philosophical roots of sustainability lie within the ‘environmental management’ paradigm (O’Riordan, 1976), whereby economic ‘growth’ can occur alongside improvements in social conditions (intra- and intergenerational equity) and conservation and engagement of our environmental resources. The ‘three circles’ model has also been influential among public policy makers, for example the UK Sustainable Development Commission report Prosperity without Growth (Jackson, 2009) considers the connections and conflicts between sustainability, growth, and wellbeing.

From the Malthusian warnings of the 18th century to the ‘Limits to Growth’ scenarios of the 1970s, consideration of the earth’s carrying capacity has been a cornerstone of sustainable development. Intergenerational equity refers to the need to ‘hold the natural environment of our planet in common with other species, other people, and with past, present and future generations’ (Weiss, 1992, p. 20). Today roughly 60% of the world’s ecosystems have been degraded and this degradation is expected to continue at an accelerating rate (Millennium Ecosystem Assessment, 2005a). Many countries within the developing world are especially at risk from issues such as river pollution and general water scarcity, soil degradation, the destruction of tropical rainforests, or increasing air pollution (Millennium Ecosystem Assessment, 2005b). Global environmental challenges like climate change, ecosystem degradation, biodiversity loss, marine and air pollution biodiversity particularly threaten livelihoods particularly in the developing world, as these are often more vulnerable to environmental changes and environmental disasters. Another key concept of sustainable development is intragenerational equity, which refers to the distribution of resources – and opportunities – within the present generation. In contrast to intergenerational equity, intragenerational equity has an explicit development focus and in particular addresses poor and marginalized parts of the current generation (George, 1999; Gladwin et al., 1995). Problems facing such marginalized communities create barriers to economic and social prosperity and can cause a

community, region or country to be locked into poverty (Sachs, 2005). Furthermore, poorer parts of the population are commonly the ones that are exposed most to environmental pollution (Adeola, 2000; Agyeman et al., 2002).

In summary, it becomes clear that the dimensions of intra- and intergenerational equity imply two very different visions of development within the overall paradigm of sustainable development. This is hardly surprising given the mandate of the Brundtland Commission to address environmental issues as well as problems that traditionally have been considered the domain of international development (Robinson, 2004). However, it is important to note that a trade-off exists between these two dimensions given the existence of finite environmental resources and the limits of the earth's carrying capacity (Dovers and Handmer, 1993; Hahn et al., 2010).

### **A Shift from Sustainable Development to Sustainability?**

Over the last two decades a large number of influential events, initiatives and publications have contributed to an unprecedented rise of public attention drawn to the concepts of sustainable development and sustainability. Today, sustainable development has gained widespread political and public authority and has arguably become 'the common currency of almost all players in the environmental arena' (Jacobs, 1999, p. 22). Analysis of worldwide media coverage demonstrates the increasing levels of public discourse on either sustainability or sustainable development (Barkemeyer et al., 2009; Holt and Barkemeyer, in press). This discourse analysis also indicates that 'sustainability' has become the lexicon that is somewhat more in use than the concept of 'sustainable development'. Is this perhaps indicative of a shift away from the specific connotations of 'development' towards a wider more generic terminology of sustainability and if so what are the implications of this shift?

Although sustainable development served as the overarching umbrella for the Brundtland Report and later UN Conference on Environment and Development (UNCED) outputs such as Agenda 21, the Convention on Biological Diversity, the Framework Convention on Climate Change, and the Rio Declaration on Environment and Development, there are subtle differences in their approaches to sustainable development. Later UNCED documents put an explicit emphasis on environmental sustainability at the expense of the human centric, pro-poor focus of the Brundtland Report. Equity, poverty alleviation, or distributional aspects were not highlighted in the UNCED outputs, whereas the idea of a more sustainable development in the light of environmental constraints took centre stage (Doyle, 1998; Robinson, 2004). Kirkby et al. (1995, p. 10) argue that this shift in focus within 5 years had been a result of pressure applied by northern governments and northern environmental nongovernmental organizations (NGOs) *'to pursue a status quo development framework that was essentially against the South. The North turned "green" and the South turned away'*. In other words, the dimension of intragenerational equity may in fact have been crowded out by concerns over environmental sustainability, and the adoption of a northern centric agenda for sustainability (Doyle, 1998; Robinson, 2004). Focusing on the private sector, Eden (1994) also argues that the business interpretation of sustainable development may exclude consideration of equity to focus instead on market mechanisms and technological change.

In addition to this bias towards northern interests that has repeatedly been argued to be inherent in the sustainable development discourse, the concept itself has attracted a considerable amount of criticism. In his discussion of key criticisms directed at sustainable development, Robinson (2004) focuses on three major aspects. First, the vagueness of the concept of sustainable development, giving room for very different interpretations; second, a hypocritical approach to the label of sustainable development, closely related to the difficulty of measuring whether a specific activity is furthering sustainable development or not; third, that sustainable development in fact is an

oxymoron, proposing increased industrial output in the light of scarce resources and environmental limits to growth. Irrespective of these criticisms, sustainable development has become a guiding paradigm in policy and practice. Furthermore, it should be noted that Agenda 21 nevertheless contains the key elements outlined by the Brundtland Report, albeit representing a general shift in focus towards environmental concerns. The vague nature of the concept calls for a further operationalization and contextualization of sustainable development depending on the specific contexts to which it refers. Against this backdrop the next section provides a short elaboration of the role of business in sustainable development, followed by an examination of normative codes of conduct aimed at business and their synergy with the sustainable development agenda.

### **Corporate Actors and Sustainable Development**

The need for further operationalization and contextualization and the multitude of different interpretations that have evolved are closely related to the considerable difficulty in translating the broad concept of sustainable development into tangible policies and actions for actors such as the corporate sector (e.g. Jacobs, 1999; Mebratu, 1998; Robinson, 2004). The private sector can potentially play an integral role in sustainable development by providing financial and personnel resources, infrastructure, innovation and technology, and promoting good governance. Creating a stable economy and a functioning private sector are pivotal elements of human development (Bansal, 2002; Jenkins, 2005; Kolk and van Tulder, 2006; Sachs, 2005). Corporate actors have generally embraced the notion of sustainable development, acknowledging the need to move from a narrow, technical understanding of their social and environmental impacts towards identifying their wider role in society (Schmidheiny, 1992; Starik and Rands, 1995; Throop et al., 1993), and both academia and corporate practice have provided a range of corporate level definitions and operationalization of the concept.

In an international context, it has even been argued that economic activity per se contributes to a more sustainable development outside the industrialized world. Foreign direct investment (FDI) is expected to facilitate spill-over effects, such as the transfer of technology, knowledge and capital for environmental and socio-economic goals, the creation of linkages to local economies in the global south or the reversal of gender inequality and generally will help to provide new avenues for international development (Oetzel and Doh, 2009). However, the actual contribution of FDI to international development has been the subject of fierce debate. So far, the literature on the actual developmental impact of private inflows into developing countries is inconclusive (Aitken and Harrison, 1999; Benacek et al., 2000; Borensztein et al., 1998; Lall, 2000). Positive aspects of FDI inflows that have been identified are capital inflows into capital scarce economies, technology and knowledge transfer, the attainment of productivity gains, increased competitiveness, or improved access to international markets for domestic industries. Critics on the other hand point towards negative impacts such as the crowding out of domestic competitors and 'infant industries', low reinvestment levels, transfer pricing, asymmetries in bargaining power between large MNCs and weak developing country governments, or the creation of enclaves while failing to support large parts of the domestic economy, especially in the case of export processing zones (Lall, 2000).

Similarly, a controversial debate has emerged regarding the social and environmental impact of the overseas operations of MNCs. Traditionally, the focus of research into the social and environmental performance of MNCs has been on industrialized countries and therefore comparatively little systematic research exists in a non-OECD context (Chapple and Moon, 2007). However, a number of equally inconclusive studies have been produced on the corporate social and environmental performance of MNCs in a developing country context. These cover for instance the 'pollution haven hypothesis' (Eskeland and Harrison, 1997; Leonard, 1988; Lucas et al., 1992), FDI and cleaner production (Wheeler, 2001), cross-border environmental management of MNCs (Eskeland and

Harrison, 1997; Hansen, 1999; Ruud, 2002), or their impact on national environmental policies in developing countries (Weidner and Jänicke, 2002). One additional factor that complicates the picture is the lack of information on developing country manufacturing industries within national environmental frameworks (Luken, 2006). As the smallest common denominator between the various camps, a mainstream consensus seems to have emerged that FDI can potentially play a positive role through industrial restructuring and upgrading but 'foreign investors must be embedded in the local economy if they are to create lasting and sustainable benefits' (Hansen and Kuada, 2006, p. 29). Private sector engagement in general, and MNC operations in particular, do not lift people out of poverty per se; neither do they automatically reduce environmental impacts in the contexts they operate in.

One of the key operationalizations of the sustainability concept in the private sector context is the expanding sustainability reporting practice based on the triple bottom line (TBL) framework, with the Global Reporting Initiative (GRI) emerging as the dominant set of guidelines. Milne et al. (2005) argued that TBL is a deeply problematic concept in the context of sustainability. A commitment to TBL requires merely that a business report a number of data it chooses that are potentially relevant to different stakeholders (Norman and MacDonald, 2003). Businesses and their associated institutions promoting TBL reporting in effect ossify sustainability so that it exerts no demand on firms to re-frame unsustainable industry and business models. The fact that the natural environment and social equity might be sacrificed in their profit-making and business growth process is largely ignored. Some businesses even consider that their continued existence is essential to achieving sustainable development. As a result, many organizations claim to be reporting on being sustainable, or more commonly, moving towards sustainability within their narrow and often incomplete reporting, while continuing to contribute to an overall degradation of the natural environment and within a socially inequitable context. Therefore, TBL is argued to be 'inherently misleading: the very term itself promises or implies something it cannot deliver,' (Norman and MacDonald, 2003, p. 254). In other words, TBL reporting only provides 'soothing palliatives' which may, in fact, lead to greater levels of un-sustainability (Milne et al., 2005).

In any case, the private sector is a key player in delivering both intra- and intergenerational equity. It is the main 'consumer' of environmental resources and the principle generator of economic capital. While the private sector does not deliver socio-economic development per se, it has a significant potential to do so. A key aspect here concerns its ability to influence the rule-making process of sustainable development. Given the difficulties of rule-setting in the transnational arena and the considerable regulatory void that has resulted from this situation (Braithwaite and Drahos, 2000), the private sector may play a significant role in shaping the rules regarding the transition to a more sustainable future (Kolk and van Tulder, 2005; Moon, 2007; Scherer et al., 2006). Far from merely having the option to conform to external constraints, business has the ability to actively shape these (Maguire and Hardy, 2006; Pinkse and Kolk, 2007). One prominent tool that could be used for this purpose is the code of conduct, drawn up either by companies themselves or by business support groups (such as industry associations or chambers of commerce) or business leader fora (Kolk and van Tulder, 2005). Through such codes businesses can influence not only the level of the rules (i.e. shape their content), but also the normative level (e.g. what role self-regulation should play in the first place). Therefore the codes and guidelines that endeavour to shape private sector behaviour can potentially be vehicles that promote more 'sustainable' practices and deliver development goals.

Clear and meaningful principles in codes of conduct are likely to help a business to improve its sustainability performance and to integrate this goal into its corporate culture (Norman and MacDonald, 2003). Yet parallel to the discussion of TBL reporting, a code of conduct might have similar inherent drawbacks, as the conceptualizations of sustainability by businesses and associated institutions that are drawing up these codes may again be focused on the organizational entity and

reinforce the idea that business is the key going concern (Milne et al., 2005). This raises the following questions. To what extent do these codes of conduct, as some of their proposers claim, actually promote the principles of sustainable development? How close do codes adhere to, or how far do they deviate from, the original ideas stated in the Brundtland Report? These are the key questions that we aim to answer in the following research.

## **Research Method**

The research for this paper proceeded in three stages. First, an analytical framework of sustainable development was developed by the authors. During this stage, the elucidation of sustainable development made in the 15 paragraphs set out in section 2.1 of *Our Common Future* (WCED, 1987) was condensed into a list of key phrases for each paragraph of the original text. Each paragraph was debated to develop a group consensus among all the authors on the interpretation of all the themes that the text entails. Although paragraphs 4–15 of this section could be condensed into one key phrase each, the group identified two key themes each for paragraphs 1–3, and so arrived at a set of 18 key themes.

Second, influential policy documents were identified that contain guidance on what the private sector's role in sustainable development should be. Starting from lists of codes of conduct for sustainability or corporate social responsibility (Leipziger, 2003; OECD, 1999; Olson, 1999), documents were selected that (i) are widely adopted by business and (ii) address a wide range of sustainable development implications for business. In other words, the analysis excluded both policy documents that provide guidance solely for individual sectors (such as the principles and criteria for more sustainable forest management developed by the Forest Stewardship Council), and documents that address only selected sustainability issues (such as the Convention on Biological Diversity developed under the auspices of UN Environment Programme or the conventions and recommendations by the International Labour Organization on labour rights). The selection of policy documents represents again the consensus of all authors.

In the third stage, the selected policy documents were then analysed with regard to their overlap with the Brundtland framework. To increase the reliability of the research, two members of the group were randomly assigned to each of the documents being assessed. Each individual member conducted the assessment considering whether the specified theme was present within the code and indicated 'no', 'yes' or 'partly'. Then the individual assessments were compared by the pairs of researchers to come to a consensus decision for that code. Each team consisted of different member combinations so that different pairs assessed each code. The use of double-blind rating by rotating teams of researchers is, in our view, an appropriate measure to safeguard the reliability of our analysis.

Inter-rater reliability, i.e. the degree to which the two raters had independently come to the same evaluation for each of the points in the framework was calculated as a simple percentage of agreement. This methodology was preferred to standard measures such as Cohen's kappa (Cohen, 1960) or Scott's pi (Scott, 1955) as the very low number of categories would create a negative bias in the calculated agreement scores. Furthermore, both Cohen's kappa and Scott's pi heavily account for chance agreement, which was not felt to be adequate in the context of this rating process. Inter-rater reliability ranges from 61% (11/18 items) for the OECD Guidelines, through 72% for the UN Global Compact and 77% for the Ceres Principles to 83% for the ICC Business Charter for Sustainable Development as well as the Global Sullivan Principles, and 89% for the Caux Principles (Table 2).

Additionally, the analysed documents fulfil, in our view, the requirements stipulated by Scott (1990) for the quality of evidence that can be gleaned from documents, namely authenticity, credibility,

representativeness as well as clarity and comprehensibility of meaning. The documents were downloaded from the official websites of the issuing organizations; hence authenticity and credibility are addressed. As they are also listed in catalogues of corporate sustainability/corporate social responsibility tools (e.g. Leipziger, 2003; OECD, 1999; Olson, 1999), they also meet the criterion of being representative. Finally, as official documents of national and international organizations, the texts also meet the criterion of clarity and comprehensibility.

### Overview of the Documents

The following six key documents, presented in chronological order, were selected by the panel as codes or guidelines most commonly associated with global business-focused sustainability initiatives: (1) the OECD Guidelines for Multinational Enterprises, (2) the CERES Principles, (3) the ICC Business Charter for Sustainable Development, (4) the CAUX Principles, (5) the Global Sullivan Principles, and (6) the United Nations Global Compact Principles.

Although all operate at a supra-company level, they can be classified along two dimensions (see Table 1). In the first dimension the documents have been drawn up by two categories of actors: intergovernmental organizations (e.g. UN and the OECD) and business interest groups (e.g. the ICC). The second dimension considers the evolution of the documents from those specifically drawn up to address sustainable development (like the UN Global Compact Principles) versus those that have evolved from a related or narrower concern into addressing sustainability – for example, the OECD Guidelines were originally concerned with the role of multinational enterprises in international trade and investment and a chapter on environmental protection was inserted during the 1991 review (Tully, 2001).

	<b>Sustainable development focus from inception</b>	<b>Transformed to consider aspects of sustainable development</b>
<b>Intergovernmental organisation</b>	UN Global Compact Principles	OECD Guidelines
<b>Business interest group</b>	ICC Business Charter for Sustainable Development  Caux Principles	Global Sullivan Principles  CERES Principles

**Table 1.** A typology of business guidelines for sustainable development

The OECD Guidelines for Multinational Enterprises are recommendations by OECD member governments for multinational enterprises, which are encouraged to observe the Guidelines wherever they operate (Tully, 2001). Originally adopted in 1976 and last revised in 2000.<sup>1</sup> they contain standards for responsible business, in particular in the areas of employment, environment, combating bribery, consumer interests, science and technology, competition and taxation (Lozano and Boni, 2002; OECD, 2000). The Guidelines also entail the creation of National Contact Points. These are responsible for the promotion of the Guidelines, including the investigation of complaints concerning a company operating in or headquartered in that country (OECD, 2000). Although

<sup>1</sup> At the time of our research the OECD was carrying out the latest review of the Guidelines. The updating process started in June 2010 is estimated to be completed in 2011. These changes could not be addressed in our research.



nonbinding in legal terms and lacking enforcement mechanisms, the support by all OECD member countries makes the Guidelines 'one of the strongest global codes' (Doane, 2005, p. 220) with Tully (2001, p. 395) stating that 'they remain the most prominent intergovernmental "code of conduct" that seeks to encapsulate self-regulation with a universally mandated solution'.

#### *CERES Principles*

The Coalition for Environmentally Responsible Economies (CERES) was founded in the wake of the 1989 Exxon Valdez oil spill (Pattberg 2005; Reed and Reed, 2009). CERES, based in Boston, was created by 15 major US environmental groups, together with an array of socially responsible investors, public fund trustees, foundations, labour unions, and religious and public interest groups. The coalition issued a 10-point corporate code of environmental conduct, the Valdez Principles, which was later renamed the CERES Principles (Walton, 2000). This code was initiated to address environmental concerns and dominated by environmental management activities. It aimed to engage companies in dialogue and subsequently endorsement of the principles that require a long-term commitment to making progress in environmental performance. Principle 10 requires an annual self evaluation by the endorsing company based on the CERES reporting form to provide a way for stakeholders to gauge the company's environmental progress. To date, only around 100 companies, mainly North American ones, are endorsers of the principles (CERES, 2010). Despite the small number, the CERES reporting form is considered highly credible and it provided the basis for today's de facto sustainability reporting standard the GRI (Pattberg, 2005).

#### *ICC Business Charter for Sustainable Development*

The ICC is a non-governmental organization that represents the interests of over 7000 member companies from over 130 countries (Olson, 1999). In response to the Brundtland Report, the ICC developed the 16 environmental management principles of the Business Charter for Sustainable Development, which was launched in 1991. Over 2300 companies worldwide have signed up to this voluntary charter and a number of industry associations have used the charter as a basis for their own sustainability programmes (IISD, 2010). The ICC Business Charter has been praised because it 'argues the case for interdisciplinary action' as well as fostering 'commitments to partnerships between government, business and society' (Krehbiel et al., 1999, p. 185).

#### *CAUX Principles*

The Caux Principles for Business were launched in 1994 and aim to set out a vision for ethical business behaviour, thereby providing a basic framework for action and dialogue among business leaders (Gordon, 2001). The Principles were issued by the Caux Roundtable, comprising senior business leaders from North American, European and Japanese multinational companies. In terms of content, the Caux Principles drew upon the 'Minnesota Principles', an earlier attempt to guide business behaviour by the Minnesota Center for Corporate Responsibility (Tully, 2001). Originally, the preamble of the Principles referred to two central ethical ideals that underlie the set of seven core Caux Principles. At the time of our research the OECD was carrying out the latest review of the Guidelines. The updating process started in June 2010 is estimated to be completed in 2011. These changes could not be addressed in our research.: (i) *kyosei*, a Japanese concept referring to 'living and working together for the common good enabling cooperation and mutual prosperity to coexist with healthy and fair competition'; and (ii) human dignity. A recent update of the preamble, published in 2009, in addition refers to responsible stewardship as a third underlying ethical ideal. The Caux Principles have been translated into 12 different languages and have become a widely cited guide for responsible business behaviour. 'The Principles have widespread support, because of their international senior management origin' (Cavanagh, 2004, p. 632).

#### *Global Sullivan Principles*

The Global Sullivan Principles of Social Responsibility (GSP) have their origins in the Sullivan Principles developed to facilitate the dismantling of apartheid in South Africa. Developed by Reverend Sullivan, a member of the board of directors of General Motors, and launched at the UN in November 1999 they are a voluntary code for corporate responsibility and accountability, greater tolerance and better understanding among peoples, and the advancement of peace (Sethi and Williams, 2000). They focus on enhancing workers' human rights, social justice, protection of the environment and economic opportunity. They promote a responsible development framework for businesses to pursue their business objectives while being mindful and respectful of employees and the communities in which they operate, advocating strong national governance (GSP, 2010). The GSP have an estimated 250 endorsers; these are predominantly businesses but include non-profit, government and educational organizations too. 'The promulgation of the Sullivan Principles was a watershed event in a drive ... [towards] the concept of enhanced responsibility on the part of the multinational corporations emanating from their worldwide operations' (Sethi and Williams, 2000, p. 171).

#### *UN Global Compact Principles*

Initiated by former UN Secretary-General Kofi Annan and launched in July 2000, the UN Global Compact has rapidly evolved into one of the most visible global corporate citizenship initiatives (on the origins and development of the Compact see Bendell, 2004; Kell, 2003; Kell and Ruggie, 2001; McIntosh et al., 2004). It currently comprises roughly 5000 corporate members, as well as a growing number of NGOs, trade unions, business associations, government bodies and academic partners. The Global Compact is intended to serve as a 'social contract on minima moralia' (Leisinger, 2003, p. 114), forming an umbrella or 'moral compass' (Kell, 2003, p. 41) for more specific and practical approaches. At its core lie 10 general principles drawn from four major international agreements: the Universal Declaration of Human Rights, the Fundamental Principles and Rights at Work of the International Labour Organization, the Rio Declaration on Environment and Development, and the UN Convention against Corruption (for a detailed account see Waddock, 2004). As a result of its high visibility, the Compact has been characterized as 'a visible front-end initiative' promoting these international agencies (Fox, 2002, p. 10). Lozano and Boni (2002, p. 176) further state 'The Global Compact program is, from our point of view, the most complete declaration for the topics dealt with as well as for the organization and specificity of the recommended mechanisms.'

#### **Analysing the Key Business Guidance Documents**

This section presents the findings of our analysis of the key business guidance documents on sustainable development by comparing their content against the analytical framework developed by the research team from the original Brundtland report (see Table 2). To aid comparison the table also contains a score, developed by awarding a score of 1 for an explicit match between the Brundtland framework and the considered document, with a score of 0.5 for a partial or implicit match.

The selected business guidance documents only cover a minority of the key themes the Brundtland Report had identified. The CERES Principles emerged as the most comprehensive and scored a 39% match, addressing six of the key themes explicitly and two partially; while the CAUX Principles scored the lowest (22%) matching two themes explicitly and four partially. There are four themes that are supported by the majority of business guidance documents. They are unanimous that sustainable development must be defined in terms of sustainability in all countries, whether developed or developing. They also seem to have a clear managerialist focus: e.g. the need for a strategic framework to manage sustainable development is expressed in five of six documents (83% of all possible references).

**Table 2.** Comparative analysis of key business guidance documents on sustainable development (individual scores and aggregate scores)

	OECD Guidelines			CERES Principles			ICC Business Charter for Sustainable Development			CAUX Principles			Global Sullivan Principles			UN Global Compact			Score / 6 items (% match)*
<i>Theme from Brundtland</i>	1976			1989			1991			1994			1999			2000			
(Combination of raters)	A / B	Consensus		A / C	Consensus		B / D	Consensus		C / D	Consensus		B / C	Consensus		A / D	Consensus		
<i>Overwhelming priority to meeting needs of the world's poor</i>	No	No	No	No	No	No	No	No	No	No	No	No	No	Partly	Partly	No	No	No	0.5 (8%)
<i>Within limits to growth</i>	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	0
<i>Applicable to all countries</i>	Yes	No	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	6 (100%)
<i>Need for a strategic framework</i>	Yes	No	Yes	Yes	No	Yes	Yes	Yes	Yes	No	No	No	Partly	Yes	Yes	Partly	Yes	Yes	5 (83%)
<i>Social equity (Equitable access to resources and distribution of benefits)</i>	No	No	No	No	No	No	No	No	No	No	No	No	Yes	Yes	Yes	No	Partly	Partly	1.5 (25%)
<i>Intra and intergenerational equity</i>	No	No	No	No	No	No	No	No	No	Partly	Yes	Partly	No	No	No	No	No	No	0.5 (8%)
<i>Meeting the basic needs of all (and aspirations for improved quality of life)</i>	Partly	No	Partly	No	No	No	No	No	No	Partly	Partly	Partly	Partly	Yes	Yes	Partly	Partly	Partly	2.5 (42%)
<i>Sustainable consumption (within ecological limits and promotion of values to encourage this)</i>	Partly	Yes	Yes	No	No	No	Partly	No	Partly	No	No	No	No	No	No	No	No	No	1.5 (25%)
<i>Equitable growth (through increasing productive potential)</i>	No	No	No	No	No	No	Partly	No	No	No	No	No	No	No	No	No	Partly	Partly	0.5 (8%)
<i>Management of demographic/population changes</i>	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	0
<i>Precautionary approach to development</i>	Partly	No	Partly	Partly	Partly	Partly	Yes	Yes	Yes	No	No	No	No	No	No	Yes	Yes	Yes	3 (50%)
<i>Interdependencies of systems and critical thresholds</i>	No	No	No	No	Partly	Partly	No	No	No	No	No	No	No	No	No	No	No	No	0.5 (8%)
<i>Limits defined by carrying capacities</i>	No	No	No	No	No	No	No	No	No	Partly	No	Partly	No	No	No	No	No	No	0.5 (8%)

<i>Theme from Brundtland</i>	OECD Guidelines			CERES Principles			ICC Business Charter for Sustainable Development			CAUX Principles			Global Sullivan Principles			UN Global Compact			Score / 6 items (% match)*
	1976			1989			1991			1994			1999			2000			
	A / B		Consensus	A / C		Consensus	B / D		Consensus	C / D		Consensus	B / C		Consensus	A / D		Consensus	
<i>Sustainable use of renewable resources</i>	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No	No	No	No	No	No	2 (33%)
<i>Managing the depletion of non-renewable resources</i>	No	Partly	No	Yes	Yes	Yes	Yes	Yes	Yes	Partly	Partly	Partly	No	No	No	No	No	No	2.5 (42%)
<i>Maintaining biodiversity</i>	No	No	No	Yes	Yes	Yes	No	No	No	No	No	No	No	No	No	No	No	No	1 (17%)
<i>Minimization of impacts of waste on ecosystem integrity</i>	Partly	No	Partly	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	No	No	Partly	Partly	Partly	4 (67%)
<i>Management of change in a balanced manner to meet needs and aspirations of all</i>	No	No	No	No	Partly	No	No	No	No	No	No	No	No	No	No	No	Partly	No	0
Score / 18 items (% match with Brundtland criteria)*			4.5 (25%)			7 (39%)			6.5 (36%)			4 (22%)			4.5 (25%)			5 (28%)	
Inter-rater reliability (%)	0.611			0.778			0.833			0.889			0.833			0.722			
Cohen's Kappa	0.000			0.591			0.667			0.807			0.591			0.444			
Scott's Pi	-0.054			0.586			0.664			0.806			0.586			0.438			

\* Counting 'yes' as 1 and 'partly' as 0.5, divided by total number of possible matches.

For example, the ICC Business Charter calls on business: 'To measure environmental performance; to conduct regular environmental audits and assessment of compliance with company requirements, legal requirements and these principles; and periodically to provide appropriate information to the board of directors, shareholders, employees, the authorities and the public,' (IISD, 2010). Furthermore, there is evidence of win-win paradigm thinking. However, this win-win rationale appears to be restricted to eco-efficiency considerations, for example in terms of calling for a minimization of impacts of waste on ecosystem integrity (three 'yes' and two 'partly', 67% of all possible references). Last but not least, the precautionary approach has gained some ground too (two 'yes', two 'partly', 50%).

In terms of themes not addressed in the business guidance documents, the absence of any acknowledgement that sustainable development could involve the acceptance of limitations is particularly salient. The Brundtland theme of acting within limits to growth is not reflected in any single document and acting within limits defined by the earth's carrying capacity is hardly mentioned either (one 'partly', 8% of all possible references); similarly interdependencies of systems and critical thresholds receive little attention (one 'partly', 8%). Furthermore, there are a number of issues that possibly are deemed too complex to be addressed in guidance documents for business: Management of demographic/population change is not addressed in a single document. Neither are issues of equity mentioned (intra- and intergenerational equity: one 'partly', 8%; equitable growth: one 'partly', 8%), nor was the overwhelming priority Brundtland sought to give to meeting needs of the world's poor (one 'partly', 8%). In the following, a more detailed analysis of the individual documents with regard to their overlap with the Brundtland framework is provided.

The OECD Guidelines stress 'the positive contributions that multinational enterprises can make to economic, environmental and social progress' (OECD, 2000, p. 11). There are three areas where the Guidelines fully reflect the priorities of the Brundtland Report: (i) they acknowledge the global scale of sustainable development; (ii) they argue for a strategic framework to manage sustainable development; and (iii) they outline the role of consumption in sustainable development, including consumer education. In three further areas, a partial match with the Brundtland priorities was established. First, the Guidelines express a degree of commitment to meeting the basic needs of all, in particular in terms of local market needs and employment and training opportunities for host countries. Second, there is the precautionary approach: it is not specifically mentioned in the text – although it appears in the subsequent commentary – but the Guidelines urge companies to 'not use the lack of full scientific certainty as a reason for postponing cost-effective measures to prevent or minimise such [i.e. environmental] damage' (p. 20). Third, minimizing the impact of waste is as such not mentioned either, but the document refers to addressing 'health and safety-related impacts associated with the processes, goods and services of the enterprise over their full life cycle' (p. 19).

At the same time, the OECD Guidelines do not refer to a range of key sustainable development issues. The key omissions are arguably those (i) to giving overwhelming priority to meeting the needs of the world's poor; (ii) to limits to growth; (iii) to intra- and intergenerational equity; as well as (iv) to the management of demographic changes. At the same time, the Guidelines stress some aspects of sustainable development that seem to go beyond the Brundtland conceptualization. For example, they encourage 'local capacity building through close co-operation with the local community, including business interests' (p. 14), they stress the need for human capital formation, in particular through employment creation and training opportunities, while business partners, including suppliers and sub-contractors, are encouraged to incorporate the Guidelines themselves too.

The CERES Principles have the highest coverage of the Brundtland themes among the six documents. The Principles fully addressed the following four items: (i) sustainable use of renewable resources;

(ii) managing the depletion of non-renewable resources; (iii) maintaining biodiversity; and (iv) minimization of impacts of waste on ecosystem integrity. Two items are implicitly addressed: First, the Principles acknowledge the applicability of the principles to all countries; second, Principle 10 requires an annual self-evaluation by companies on their progress in implementing the CERES Principles and the evaluation report has to be made available to the public. This reporting requirement provides a strategic framework for companies to be accountable for their environmental performance. Finally, the precautionary approach to development is partially matched by Principle 6 – Safe Products and Services while the interdependence of systems and critical thresholds is partially addressed together by Principle 1 – Protection of Biosphere and Principle 5 – Risk Reduction.

Stemming from the Exxon Valdez oil spill, the CERES Principles aim to ‘establish an environmental ethics with criteria by which investors and others can assess the environmental performance of companies’ (CERES, 2010), and therefore, the Principles are environmentally oriented and do not refer to any socio-economic needs of the world’s poor, as well as intra- and intergenerational equity. In terms of environmental issues, essence of the limits of the carrying capacity of the natural environment and sustainable consumption are not found in the Principles. The ICC Business Charter is one of the documents with above-average coverage of the Brundtland themes and places particular emphasis on environmental aspects of sustainable development. The document aims ‘To recognise environmental management as among the highest corporate priorities and as a key determinant to sustainable development’ (IISD, 2010). Hence it calls on business to foster the sustainable use of renewable resources and to minimize the impacts of waste on ecosystem integrity. Together with the UN Global Compact, it is one of two documents that explicitly call for a precautionary approach to development. It also stresses the need for consumer education to achieve sustainable development. Furthermore, the Business Charter emphasizes the need for a strategic approach to sustainable development that has to be applicable to all countries.

Despite focusing on environmental aspects of sustainable development, the ICC Business Charter does not address the limits to human activity that are defined, for example, by the carrying capacity of the earth; neither are system interdependencies and critical thresholds referred to. By stressing environmental aspects, the document also de-emphasizes social aspects, in particular intra- and intergenerational equity and the Brundtland emphasis on overwhelming priority to be given to meeting the needs of the world’s poor. There are a few small areas where the Business Charter goes beyond Brundtland. The latter’s emphasis on consumer education is extended here: ‘To educate, train and motivate employees to conduct their activities in an environmentally responsible manner’ and similarly to ‘To promote the adoption of these principles by contractors acting on behalf of the enterprise’ (IISD, 2010).

The Caux Principles show the lowest amount of overlap with the Brundtland conceptualization of sustainable development. Partly owing to the low number of principles (seven) as well as their focus on responsible leadership, the vast majority of elements found in the Brundtland definition are not addressed. Stakeholder orientation, compliance with the law, sound environmental management and anti-corruption emerge as key themes in the Principles, thereby primarily taking a business perspective in contrast to the societal perspective taken in the Brundtland definition. Only two items are explicitly or implicitly addressed (‘applicable to all countries’; ‘minimization of impacts of waste on ecosystem integrity’), while four additional items at least partially address the Brundtland elements (‘intra- and intergenerational equity’; ‘meeting the basic needs of all’; ‘limits defined by carrying capacities’; and ‘managing the depletion of non-renewable resources’). Principle 6 incorporates the Brundtland definition’s ‘meeting the needs of today without compromising the needs of future generations’. In addition, Principle 2 – referring to the need to sustain a company’s economic, social and environmental operating capital – to a certain extent addresses both limits

defined by carrying capacities and intergenerational equity but remains silent regarding its intragenerational dimension. By mentioning the need to sustain the natural environment as a company's operating capital, Principle 2 can also be linked to the item 'managing the depletion of non-renewable resources'.

The overall focus of the Global Sullivan Principles is social and economic, and it relates to a human- and employee-centric perspective. Although the term sustainable development is mentioned, no real description of what this means is provided. As a result of the particular focus and historical background of the Sullivan Principles, only partial overlap exists with both the Brundtland framework and the other guidelines analysed in this paper. In particular, the environmental dimension of sustainable development is omitted. This results in a comparatively low score with regard to the Brundtland framework (25%). However, in contrast to all other normative guidelines, the Sullivan Principles at least implicitly refer to the needs of the world's poor as an overriding concern of the Brundtland report. Furthermore, the Sullivan Principles refer to specific issues that cannot be found in the other guidelines: for example, the obligation to promote fair competition is not referred to in any of the other documents; the support of universal human rights and the obligation to promote equal opportunities is only referred to in the UN Global Compact Principles. In summary, the Sullivan Principles largely reflect a social and ethical rather than an environmental stance.

The UN Global Compact Principles score a 28% match, which approximates to the average score across all six codes. This is the 'youngest' code in the sample and in many ways has moved the furthest away from the original Brundtland themes. Little match occurs in the explicit environmental items (items 10–14). Some partial matches occur regarding the themes associated with equity but only in the areas of access to resources and productive potential. Two of the most common themes across all six codes (global and strategic) are mentioned, but there is only one other clear match in terms of risk avoidance with the precautionary principle. The origins of the UN Global Compact Principles lie with three major instruments focusing on human rights, labour and employment and this internal focus on what happens inside an organization is reflected in the low match with many of the more holistic themes within Brundtland. Though referring to the Rio Declaration on the Environment there is little match with the environmental themes enshrined in the Brundtland definition. However, UN Global Compact Principles 7–9 do identify the precautionary principle, the promotion of environmental protection and also the diffusion of environmentally friendly technologies as pivotal elements of business responsibility.

## **Discussion**

The research question for this section of the paper was to consider whether a shift has taken place from the foci of Brundtland and, if so, to outline what the nature of this shift is. It has become clear that only a partial overlap between the Brundtland framework and the six key business guidelines can be observed. Beginning with the first Brundtland theme of 'overriding priority [to be given to] the essential needs of the world's poor' (WCED, 1987, p. 43), this theme is only partly acknowledged in the Global Sullivan Principles but not in any of the other documents. Item 15 'needs and aspirations of all' is also not addressed by any of the six codes and social equity considering equitable access to resources and distribution of benefits is mentioned only by the Global Sullivan Principles and partially by the UN Global Compact. Arguably, the focus on environmental issues in recent years may have crowded out the Brundtland focus on meeting the needs of the poor; or perhaps this lack of explicit acknowledgement reflects the uncertainty that the private sector may feel as to its specific role within development generally, as opposed to the needs of specific employees. Laine (2005, p. 399) also suggests in the case of ICC that it 'relates sustainable

development firmly to good environmental management systems and subsequently omits the social aspects’.

Emphasis on environmental operational practices is reflected in the responses to the environmental themes 11–14 in the Brundtland framework and the precautionary principle which relates to risk, where matches are the highest. However whereas some high match scores exist for the operational environmental activities, those items that refer to more conceptual environmental themes, such as critical thresholds, systems interdependencies and limits to growth, are less explicitly matched. This perhaps relates to the lexicon used rather than the science that underpins many of these principles. Although the scientific roots of environmental management lie within Malthusian limits and systems thinking their operationalization has moved on to ‘activities’ rather than concepts. This leads us to the consideration of the second key theme in the original Brundtland statement on sustainable development, which is concerned with the limitations imposed by technology, social organization and environmental capacity. Again this aspect seems lost in the business codes as little overt acknowledgement exists of any limitations, with the exception of one partial match for the Caux Principles, which mention limits defined by carrying capacity. This is perhaps symptomatic of the win–win paradigm embraced so vehemently by industry and those seeking to engage the private sector, and concurs with the assessment by Lozano and Boni (2002, p. 176) that ‘the OECD Guidelines assume that market and trade are the facilitators of the development processes’. Moving on to discussions of growth, it is interesting to notice that there is an acknowledgement of some environmental constraints on growth in the business guidance documents (mostly by items 11–14, which focus on consumption of resources and waste management), yet no mention is made of the role that population plays within this. None of the codes refer to managing population or demographic changes (item 7). This is an issue of increasing concern given the threat of environmental migration as a result of climate change and the demographic pressures that exist in the developing world, yet both the practitioner and academic literatures seem to be slow to tackle the links that might exist between business and population growth. As a rare exception, Shrivastava (1995, p. 939) argues: ‘For corporations this burden implies that they cannot continue to actively foster the creation of consumer societies’ whereas specifically in developing countries ‘corporations must help regarding the control of populations – a task left largely to governments in the past’. While this issue cannot be comprehensively dealt with within the confines of this paper, it is nonetheless notable that population growth was a prominent theme in the Brundtland report but has since largely disappeared from the sustainability agenda.

Hence there are clear indications that the original themes embedded in the definition of sustainable development provided by the Brundtland report are not fully reflected in the normative codes of conduct used by, and promoted for, the business community. Our analysis therefore provides additional evidence that sustainable development has undergone a subtle shift in interpretation and primary focus. As was found for UNCED output (Doyle, 1998; Robinson, 2004), the business guidance documents analysed here also showed an explicit emphasis on environmental sustainability at the expense of the human-centric, pro-poor focus of the Brundtland Report.

The findings presented in this paper feed into research into the corporate-level and corporate-led discourses and definitions of sustainable development (Springett, 2003; Springett and Foster, 2005) as well as the work of scholars who argued that by actively embracing an eco-modernist version of environmentalism, the corporate sector has in fact transformed the discourse and ‘hijacked’ environmentalism (Ketola, 2003; Welford, 1997; cf. Greer and Bruno, 1996) – while remaining silent on other aspects of sustainable development.



## Conclusions

The starting point for this paper was the growing attention that the role of business in sustainable development has received in recent years. It analysed key business guidance documents regarding the role of business in sustainable development, which were either written by transnational organizations, like the OECD and the UN, or by business interest groups, such as the ICC. Our analysis has presented solid evidence for the increasing attention intergovernmental organizations and business support bodies have placed on the concept of sustainable development. In turn, these recommendations have been taken up by a growing number of companies in their CSR tools (Preuss, 2010). The business guidance documents often refer to the Brundtland definition as a starting point. However, do they actually espouse the values that were enshrined in the Brundtland report?

Our findings suggest that there has been a significant shift in the tone of discourse within these business codes and guidelines, away from the original framing by Brundtland. This is particularly noticeable with regard to two aspects. First, the limitations imposed by sustainable development have been downplayed in favour of a managerialist emphasis that is in line with the win-win paradigm in corporate sustainability. In a more subtle fashion, this shift is repeated in one from a language of needs to a language of rights. For example, human rights appear repeatedly in the OECD Guidelines whereas human needs are not mentioned at all. However, little space is devoted to considering in detail how these are to be safeguarded and enforced. Furthermore, since the concept of a right struggles to grasp with clashes between rights (e.g. the right to a fair wage versus the right to a decent dividend) without taking recourse to a higher order concept like justice, the impression emerges that a rather solid basis for demanding corporate attention to one particular aspect of sustainability has been replaced by a much more elusive one.

Second, it emerges from our analysis that the sustainability discourse has moved from a trade-off between environmental and social aspects to a predominant focus on the environment with little attention to social issues, such as poverty alleviation. The notion of development and the overriding emphasis that should have been given to the world's poor are both lost in the business guidance documents. Conceptually, this is suboptimal as it creates the illusion that business can address sustainability without also giving attention to poverty. In practical terms, this omission removes a powerful justification for those scholars and practitioners who nonetheless have started to investigate the business-poverty nexus, such as Prahalad and Hammond's (2002) concept of the bottom of the pyramid. A similar argument can be made for population growth, where a non-inclusion of the issue seems to again stifle practitioner and academic imagination as to how business could make a potential contribution to the issue.

The business guidance documents analysed here can be said to constitute yet another voice in the sustainable development discourse. Arguably involvement of the private sector is critical in building awareness of environmental issues, such as climate change. Recent partnership approaches by NGOs have led to a more inclusive approach between businesses, NGOs and policy makers. In return, this process has opened up the opportunity for the new 'players' to influence the content of this discourse. As our analysis of the key business guidance documents has shown, there is evidence of informal institution building by business actors (Kolk and van Tulder, 2005) with regard to shaping the discourse around sustainable development. In the same manner as happened in the general debate on sustainable development (Redclift, 2005), the business-led interpretation of this concept also seems to contrast with those alternative conceptualizations that emphasize the needs of the world's poor. The business guidance documents therefore continue a trend in the discourse of sustainable development to take the south out of the agenda and to create or reinforce a northern interpretation of the definition.

As with all research, this study has a number of limitations. In particular, we analysed only six documents. Although we are confident that these are the globally important business guidance documents on sustainable development, another team of authors may have arrived at a different selection. For example, documents of regional importance as those by the European Commission on sustainability and business or on corporate social responsibility (e.g. CEC, 2002, 2006) could have also been considered. Furthermore, the documents were taken at face value. The study cannot comment on whether the documents have been taken up by the private sector with real commitment or whether their adoption is a case of window dressing. Nonetheless we hope we have been able to outline how one important societal actor – business-support organizations – have influenced and shifted the evolving discourse on sustainable development.

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