Introduction

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This special issue presents selected peer reviewed papers from the *Third International Symposium on Corporate Responsibility and Sustainable Development*, Ryerson University, May 2015. These papers, in different ways, offer insights to how sustainability thinking and corporate responsibility is shaped by the dynamic relationship between business, government, multilateral organisations, and civil society.

Everyone on the planet – except climate change sceptics – accepts that profound changes are needed in the way we live and work, especially in terms of the activities around production and consumption. Experts and advocates continually tell us that change is essential, for now and for the survival of future generations. The United Nations initiative, the UN Framework Convention on Climate Change (UNFCCC), signed at the Rio Earth Summit in 1992, represents a broad consensus that this is a global problem and that reducing carbon emissions should be a key strategy for all nations; many governments around the world have introduced legislation requiring all organisations and consumers to take action on resource consumption and waste, and to minimise their environmental impact. Yet there is discord. Reaching consensus among 190+ nations is fraught with difficulty, is glacially slow. Climate change is an environmental issue that is global, and addressing it affects economic development, which makes policy makers nervous. Individual national leaders want to protect their economic interests (it seems at any cost) and there is the difficulty of deciding proportional responsibility, and how to calculate and measure constituent burdens or responsibility.

However, climate change is just one critical problem facing humanity. Poverty, inequality, economic growth and other challenges remain pressing. Following a lengthy consultation, the UN launched in 2015 its sustainable development goals (SDGs) initiative (successor to the Millennium Development Goals). It comprises 17 aspirational goals and 169 targets and over 300 performance indicators. These have been criticised for containing contradictory goals, in particular between GDP growth and ecological objectives, and for not being ambitious enough (Fan and Polman, 2014), and having too many targets (*The Economist*, 2015). So, we have global aspirational goals whatever their weaknesses, and myriad legislation touching all facets of life. However, legislation is not enough; it is just the first step. The challenge of meeting aspirational goals is complex. What is the right approach to securing more responsible and sustainable practices globally? Should we (from individual to organisation) be left to develop voluntary codes of practice that suit particular industry habits or individual ways of living? Voluntary action is always preferable but this could take a long time, and might still not deliver the required change. The papers in this special issue are important because they highlight the difficulties of translating good intentions into meaningful action and in some cases, they expose the tensions between those holding on to the status quo of what matters in running an economy, and those wanting to change the rules of the game.

Eshet's study, 'Sustainable finance? The environmental impact of the 'equator principles' and the credit industry', raises general questions about the efficacy of voluntarism based on her study of the Equator Principle voluntary initiative. The Equator Principles (EP) is one well known voluntary scheme, adopted by many commercial financial institutions around the world, for managing risk on environmental and social projects and for promoting good practice in project financing.[1] Now in its third iteration the EP framework has gradually expanded in scope, reporting requirements, climate and social issues, and implementation. Eshet evaluated the impact of the EP since its creation in 2003. She approached this by comparing the environmental performance of EP members and non-members expecting to see a difference in their relative performance on financing projects with social and environmental impacts. First of all she found the EP scheme focuses on evaluating process rather than outcomes. That is, the EP is designed to help financial institutions "identify, assess, and mitigate social and environmental impacts of projects", rather than determining which projects to fund or what specific outcomes should be achieved. A statistical analysis of projects revealed there is little difference between EP members and non-members; both groups embrace controversial projects to a similar level. Perhaps this is not surprising given the focus on process rather than outcomes. More surprising for Eshet is her finding that financial institutions embrace more controversial projects after they become EP members.

Should we adopt flexible universal policies that allow us to selectively comply as long as we 'explain' why we do not wish to comply? This could speed up change, but it will be uneven, and there is the 'free rider' problem as some will see change as not urgent or too costly, leaving the responsibility to others. Should our governments and intergovernmental bodies be more prescriptive, and secure legally binding agreements with all nations, who in turn would introduce more laws and regulation on organisations and citizenry within their jurisdiction?

In 'Is the time ripe for global binding norms for corporate accountability?', Stec et al. wrestle with this problem of securing a universally binding agreement. They try to make sense of the failure of the UN 2012 conference on sustainable development (Rio+20) to convert broad support for a 'report or explain' framework for corporate accountability, instead settling for a more flexible proposal and narrow goals. They find this failure striking because of the initial enthusiasm for a binding commitment among key stakeholders, including governments, intergovernmental organisations, NGOs, institutional investors, and multi-stakeholder forums such as the Green Economy Forum. Yet the authors provide evidence to suggest that global-scale corporate accountability is inevitable and they propose an international legal regime, supporting a binding framework on corporate performance with benchmarks for specific areas including biodiversity, water, sustainability strategies, ethics, and innovation. Such a regime would be much more effective than any voluntary scheme at producing a level playing field for businesses and supply chains around the world. Their approach would see companies move beyond risk management and towards a corporate culture committed to social and environmental sustainability thinking.

Even if a globally binding agreement were possible, would this be effective by itself? There may still be need for coordinated collective strategies between government, industry in all its diversity, and the myriad advocates and pressure groups within civil society. In 'A comparative review of the role of markets and institutions in sustaining innovation in cleantech: a critical mass approach', Webb et al. provide us a novel way of thinking about how such a collective might look, through focusing on what shapes the development of innovation in clean technologies. Key to their argument is a sustainable governance framework, comprising those elements that need to be performing effectively and collectively within a given jurisdiction. These elements include: institutions, actors, processes and instruments. Using their governance framework they compared the progress to date and prospects for 'cleantech' growth in three jurisdictions: Canada, Germany and the USA. From their findings they argue that sustainable developments in clean technologies need to reach a critical mass if they are to become established as an industry norm. In turn, reaching a critical mass depends on the density of institutions, actors, processes and instruments within a jurisdiction. An observation they make is that one factor making an emergent sector such as cleantech attractive is if potential investors see an underlying long term commitment from one or other institutions, such as the government in Germany or entrepreneurial activity, commercialisation potential, and venture capital support as is found in the USA.

Clearly, making sustainability thinking mainstream requires a collective drive among key institutions supported by processes and instruments. Problematically, differing jurisdictions start from differing historical, economic, and ideological positions. *The Principle of Common but Differentiated Responsibilities* (UNFCCC, 1992) recognises that particular historical, social, ecological and economic conditions between developed and developing nations place differing burdens on these economies, and their technical capacity for addressing this shared global problem. There is relevant historical experience of agreements based on such asymmetrical rights and obligations, in the form of treaties such as the 1972 *London Convention* (IMO, 1972), the 1976 *Barcelona Convention*

(UNEP, 1976), and others (CISDL, 2002). Bound up with these differentiated responsibilities is the role of cultural and institutional differences around the globe, and the attendant attitudes to corporate responsibility and sustainable development. In 'Cultural framework and its influence on corporate social responsibility professionals' profile', Omazic et al. carried out an empirical study of several European countries to test the influence of national culture and institutions on how corporate social responsibility (CSR) professionals approach the implementation of sustainability in their organisations, including how CSR is prioritised within the organisation and its strategy. One of their findings is that CSR professionals from within 'a long term orientation' cultural environment perceive stakeholders as having a relatively stronger influence than institutional or informal factors. CSR professionals working in a culture of high uncertainty avoidance tend to underestimate the influence of stakeholders on sanctioning what CSR/sustainability information is reported. Overall their study finds that regardless of jurisdiction, CSR/sustainability is well on the way to being an established part of the workplace, comprising one or more departments and professionals.

Most of the above arguments assume that essentially we have agreed universal goals pertaining to the need for a new ideology around environmental stewardship, social justice and intergenerational equity, while acknowledging differing priorities around the globe, and that differing approaches are needed. This leaves out sceptics and those that remain committed to maintaining the status quo, including industry sectors, chambers of commerce and governments. A clash of ideological position is inevitable. In 'Challenges and strategies for start-up social movement organisations: the case of a new Canadian climate change advocacy group', De Lange traces the start-up in Canada of one social movement that set out to challenge the Canadian government's steadfast commitment to a non-renewable energy economy. She was a member of this group and so had first-hand knowledge of its internal difficulties in seeking consensus, and witnessed its struggles with securing support, alliances and legitimacy in the external environment. The study is interesting in terms of the insights provided to seeing how a start-up social movement develops, and also in terms of the dynamics at play in the climate change argument within one jurisdiction (Canada) in the context of an international movement away from the status quo. One finding from this study is the surprising self-censorship by the group, perhaps because it was seeking legitimacy, but resulting in a weak challenge to the Canadian government.

The forgoing discussion has explored corporate responsibility and sustainable development from the position of agents commonly recognised as active in the field: government, multilateral organisations, institutions, organisations, and organised social movements. Civil society is taken as a context, possibly homogeneous, sometimes invisible, against which the machinations of these agents unfold. Yet, civil society is a complex, many layered web of social, political and economic relations that shape the direction of debate. So what is society? In 'The power of the social domain in sustainable development: non-market strategies for generating sustainable competitive advantage', Theil unpacks the complexity of society, exploring its different layers and the impact of 'non-market strategies'. Society here comprises a multitude of agents, including formal and informal organisations, individuals, groups, local government, local communities, NGOs, and others. The social priorities of these differing elements of society provide important contexts, opportunities and constraints that shape non-market strategies by firms and thereby shaping the scope for sustainable competitive advantage.

These papers provide a kaleidoscope of insights into how corporate responsibility and sustainable development is unfolding. Their scope ranges from global to local, from theoretical to empirical, but they have in common a concern for making sense of the tensions holding together the key institutions of humanity that while pursuing competing agendas, also hold in common purpose a concern for future generations, including governmental and intergovernmental ambition, social movements and voluntary institutions.

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Note

[1]According to the Equator Principles website, 84 financial institutions in 35 countries, http://www.equator-principles.com (Accessed 29 July, 2016).