

# **UNIAPAC FOUNDATION**

CSR: Corporate Social Responsibility

The view of Christian entrepreneurs and business
leaders on implementing Sustainable Development

Working group Les EDC



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# CSR: CORPORATE SOCIAL RESPONSIBILITY

A view of Christian entrepreneurs and business leaders on implementing Sustainable Development

#### **Preface**

Corporate Social Responsibility (CSR) may be self-evident for many of us, as it particularly goes hand in hand with our commitment as Christian entrepreneurs and business leaders. We are naturally concerned about the integral development of every individual and strive to achieve it in our companies on a daily basis through the manner in which we run our business and nourish social dialogue; and since we feel responsible not only towards present generations but also towards future generations, we are mindful of the harm caused to the environment, the need to ensure the Sustainable Development of our business operations, and to preserve the Earth's natural resources.

This reflection on the challenges of development and its consequences for the planet calls upon us to look beyond our national borders, to see the respect for environmental balances and the limits of our planet's resources as challenges for the whole world, in the same way as we show concern for working conditions, which are now subjected to open competition on a world scale. But we must also act on our own doorstep – each one of us from our own position – to make our own contribution to the constructing of a sustainable world and an economy that serves man.

Especially as Christians, we have a double duty: a duty to be mindful of the sense of our actions, and a duty to help the people we work with in our companies to make sense of their actions, going further than just recognising the dignity of individuals in relation to the position they may hold or the role they may play in the workings of the world.

This is why I sincerely hope that this document will encourage all of us to go one step further in embracing and going beyond CSR, so as to give a new dimension to the responsibility we have as business leaders towards all our stakeholders.

Robert Leblanc, EDC President

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# CSR: CORPORATE SOCIAL RESPONSIBILITY

A view of Christian entrepreneurs and business leaders on implementing Sustainable Development

## Introduction

The European Commission defines CSR as "a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis".

In order not to burden this text unnecessarily with nuances that would not facilitate understanding of the subject material, the term 'Northern countries' will be used to designate North America, Europe, Japan, South Korea and Australia, and the term 'Southern countries' to refer to not only emerging countries (i.e. the BRICS: Brazil, Russia, India, China, as well as South Africa) but also to all other countries, including developing and the least developed countries.

Southern countries: 6 billion people. Northern countries: 1 billion people.

We have chosen to insert the quotations into the text itself rather than to refer the reader to annexed source documents. We do not want, however, for these references, which mainly emanate from religious authorities, to be regarded as a mere 'instrumentalisation' of the source documents so as to justify unreservedly what we have written ourselves. We have cited these references because they provided sustenance for our work, and can allow our readers to deepen their reflection by consulting the source if they should so wish.

CSR, Corporate Social Responsibility, which is a purely secular concept, represents the implementation of Sustainable Development within a company. This thought has lead us to revisit the fundamentals of the concept of Sustainable Development, which will be the focus of the second part of our document.

In this document, we offer reflections and questions, enlightened by our faith, on the subject of Sustainable Development and CSR, so as to help Christian managers to respond to the call of the Gospel in their shaping of a vision. Without such a vision, there can be no business project or endorsement by the company's personnel. Even though the substance of our message may be of Christian inspiration, it is also addressed to humanists and to men of good will, whose ethics may not be founded on the faith, but which move them nonetheless to act with compassion, benevolence, and love – far beyond any legal obligations.

Our aim is not to bring solutions, but to explain why, and where, business leaders have a major responsibility in promoting the changes that can lead to the integral development of man, and in ensuring that the planet on which they live remains habitable for present and future generations.

#### PART ONE

#### Mankind today

# 1 - A development far from idyllic

The industrial revolution is now underway in Southern countries. Through the wealth this creates, the populations of the least developed countries will firstly be able to address their physiological needs and their needs for safety. Once this is achieved, these populations will attain the same standard of living as the emerging countries (BRICS), and will also want, like them, to reach the standard of living enjoyed in Northern countries. We should question the appropriateness of our Western model and ask ourselves how far, and under what conditions, the West's historic journey can be taken as a blueprint and be unreservedly applied to the development of Southern countries. The momentum of this development and its consequences are a reality, but we, the well-to-do inhabitants of Northern countries, do not necessarily believe that it is our place to judge and to intervene in any other way than merely by agreeing to respond to their demands.

The development of Southern countries is taking place against a backdrop that is very different from the conditions in which the development of Northern countries occurred:

- Globalisation is jeopardising employment and the competitiveness of companies in Northern countries, but at the same time, it opens up new markets for them, promotes the creation of wealth in Southern countries, and is resulting in the inter-dependency of States, which should lead to more solidarity between them, thus humanizing the planet.
- Migration presents problems of integration either because foreigners do not really seek it, or because they are not given the means to achieve it. However, through the diversity migrants create, they help to build unity among the human community, rejuvenate the ageing populations of the North and feed new markets.
- Communication and information technologies, by accelerating changes in consumer behaviour and the transience of products, weaken acquired positions, and can undermine people's judgment, objectivity and freedom. However, they do facilitate the access to remote markets, promote the sharing of knowledge, increase the effectiveness of organizations, and accelerate scientific progress.
- Advancements in technology and knowledge lead to productivity gains in companies which improve the purchasing power of those with incomes, but can destroy employment in the short-term. In the field of biology, progress improves health and prolongs life, but can open the way to the boundless manipulation of conscience, life, and death, etc.
- The *financialisation* of the economy is weakening world economic stability, is detrimental to the real economy, is oblivious to the respect of man and any long-term objectives, but at the same time, it accelerates industrial changes.
- Cultural changes manifest themselves through individualism, egalitarianism which can result in the institution of constraints that are stronger than individual freedoms, in relativism, which causes individuals to refuse any absolute or transcendent reference frame, in the breakdown or even the destruction of the family unit, in the primacy of rights over duties, and in hedonism and consumerism.

In Northern countries, in the 19<sup>th</sup> and 20<sup>th</sup> centuries, the availability of abundant and cheap energy and raw materials was a source of prosperity which radically transformed the life of billions of men

and women. The wealth created gradually allowed for the financing of social protection and the financing of improvements in health conditions for the majority of the population. But in these same countries, exclusion and poverty still affect a significant share of the populations, whose elementary physiological and safety needs are not always satisfied. In addition, other needs, such as a sense of belonging, esteem, achievement, and self-actualisation are far from being met for everybody. Just because there is a gap in the standard of living between Southern and Northern countries, we should not under-emphasise the severity of the "discomfort" felt by those living in Northern countries who do not manage to find their place in the company or who are not lucky enough to enjoy the same way of life as those around them, mainly due to a precarious financial situation.

The rise in the average standard of living has made it possible for the majority of our fellow citizens to consume increasingly more products and services, and to waste many of them. This has seriously damaged the environment and has accelerated the depletion of the world's scarcest natural resources. But it has <u>not</u> helped these same citizens to find a genuine inner peace.

In the least developed Southern countries, women must give birth to six children so that at least two survive, provided that the expectant mothers do not die in childbirth; every day, thirty thousand children die of hunger or from lack of care. In those Southern countries most firmly committed to economic development, tens of millions of people are lifted each year out of poverty, but the disparities in growth are widening the gap in terms of income and the exclusion rate. Moreover, this developmental change is often brought about against a backdrop of rapid urbanization which aggravates the harm caused to the environment and damages former social ties.

This said, the inhabitants of the South are fully in their rights to aspire to economic development so that tomorrow will be better than today, and that their children's lives can be better than their own. For Southern countries, in spite of undeniable progress, famine, endemic diseases and extreme poverty are still commonplace.

In spite of the recent progress, we are still far from achieving the millennium development goals adopted in 2000 by 193 countries and 23 international organizations at the 55<sup>th</sup> session of the General Assembly of the United Nations in New York. The goals are as follows:

- To eradicate extreme poverty and hunger
- To achieve universal primary education
- To promote gender equality and empower women
- To reduce infant mortality
- To improve maternal health
- To combat AIDS, malaria and other diseases
- To ensure environmental sustainability
- To develop a global partnership for development

Christianity is weakening in many countries, especially in Northern countries, which are being influenced by materialism, pantheism, or ideologies that voluntarily remove any reference to God, to traditional culture or to natural law. This influence can currently be observed in France with the introduction of "gender theory" and the promotion of "republican morals" in schools.

Similarly, democracy is being threatened in many countries by the dictatorial behaviour of mainstream parties, as was already heralded by Tocqueville more than two centuries ago.

However, for four thousand years, we have been called by our Judeo-Christian origins, and by the teachings of the Old Testament, then by those of Christ to bring down the golden calf and to worship neither power, nor money, nor consumption... nor our own collective intelligence. If we are not able to break the "structures of sin", – to employ an expression used by Jean-Paul II – which have been induced by the industrial, financial, IT, biological and social revolutions, we will betray, out of pride, the trust that God has shown in us.

These last comments make us think of a "Brave New world" by Aldous Huxley and of "1984" by George Orwell. The former, published in 1932, is based on genetic engineering and described a world where "human" beings are created exclusively upon request and in a laboratory in predefined castes. The members of these castes, under the effect of anxiolytics, lose any critical thinking, and instead, they delight in their fate and want for nothing. The latter, published in 1949, described a world dominated by police and totalitarian regimes that uses information and communication technologies to control the very thoughts of individuals. In these two works, propaganda, misinformation and brain-washing are the rule – all traces of the past, history, culture and religion have been removed. Are these the types of world we wish to create for future generations?

Today, mankind is suffering from a lack of moral sense, discernment and freedom: lack of moral sense, whereby objects with a marketable value take precedence over anything that is free, and whereby finance is more important than the creation of wealth; lack of discernment, whereby the pursuit of consumption could lead to a planetary disaster; lack of freedom, whereby men are slaves to their idols.

#### 2 - Two major challenges

## - A spiritual, ethical, educational and cultural challenge

Since the publication of the first social encyclical *Rerum Novarum* in 1891, the Christian Churches, and particularly the Catholic Church, have not remained indifferent to the problems related to the economy, society and the development of mankind. At the Basle Oecumenical Conference of 1989, the Churches reminded us that justice, peace and the preservation of creation were indissociable. On the highly sensitive subject of bioethics, the Church wrote in 2008: "*Entranced by an exclusive reliance on technology, reason without faith is doomed to flounder in an illusion of its own omnipotence. Faith without reason risks being cut off from everyday life."* (Congregation for the doctrine of the faith, Instruction *Dignitas personae* on certain bioethical questions, 8-9-2008).

The encyclical *Caritas in Veritate*, which appeared in 2010, offers a universal message of hope: mankind has the duty and the means to control any dysfunction that it causes. Benedict XVI reminds us that we must contribute, on our own doorstep, to the integral development of man, that is "*The Christian vocation to development helps to promote the advancement of all men and of the whole man* (chap. 18).

The word 'integral', already used by Benedict XVI's predecessors, signifies the unity of temporal and spiritual dimensions. This unity urges Christians not to dissociate their faith from their daily behaviour, and imposes the primacy of the human person over society and politics. Collective organizations must indeed learn from the inalienable dignity of man, and work to serve him.

The spiritual dimension of the integral development of man brings us to the first major challenge of the 21<sup>st</sup> century – a challenge that is not only spiritual in nature, but also ethical, educational and cultural. It is a challenge that we must meet with deference to truth, freedom and human dignity. Although the conditions and the needs of people living in Northern and Southern countries are different today, all decision-makers must take account of people's yearning for transcendence, be they in the North or in the South.

Offering an update on Rerum Novarum and Popularum Progressio, Caritas in Veritate takes account of "the explosion of worldwide interdependence" (chap. 33), and Benedict XVI stresses that the integral development of man, today and tomorrow, cannot be reduced to only economic factors: "There cannot be holistic development and universal common good unless people's spiritual and moral welfare is taken into account" (chap. 76). This observation is completely in tune with analyses on the fundamental needs of man, which are not limited to access to healthcare, material safety or even to decent work, but include social recognition, human relationships, democracy and religion or spirituality.

This responsibility is not only a matter for Christians, it also concerns all humanists and all men of good will, and this is why we cannot just sweep it under the carpet or ignore it.

As Christians in a position of responsibility, we must determine what is in our capacity so as to meet the challenges brought about by development. The Christian hope cannot be limited to our own pursuit of the essentials to which we are called by our faith. These signs of the times and their consequences make us wonder about the future of mankind and the place of man in present-day and future society. Christian decision-makers, prophets and kings have a duty to keep a watchful eye and to alert others when the liberal economy adversely affects individuals or the Common Good, but they also have a duty to continue to promote the creation of wealth. They are at the same time "in the world" to ensure the economic sustainability of the current global organisational system, which obliges them to show full solidarity towards their contemporaries, but "not of the world" because they carry in them a vision of the future given by God which drives them to seek their personal conversion, to act with love towards the weakest, to remain free vis-à-vis their idols, power and money, and to testify to the "free essentials", i.e. the aspects of life which are essential to our wellbeing and to which no commercial value can be assigned, and to their hope, regardless of the vicissitudes of their human projects.

We are being called "to live differently", but if tomorrow we only live differently because science and technology have allowed us to do so, we will not have met the first challenge and led man to achieve his integral development.

The protestant theologian Karl Barth (1886-1968) once said that a Pastor had to go forward into the world "holding the Bible in one hand and the newspaper in the other", meaning that the reading of newspapers must be done in the light of the message of the Old Testament and the Gospel.

#### - A political, scientific, industrial and organisational challenge

Benedict XVI also brings our attention to the temporal dimension of the integral development of all men: "Paul VI had an articulated vision of development. He [Paul VI] understood the term to indicate the goal of rescuing peoples, first and foremost, from hunger, deprivation, endemic diseases and illiteracy." (chap. 21) Paul VI who, in his 1967 address at the UN, pronounced this now historical statement: "Development is the new name of Peace." Benedict XVI adds that "in the notion of development, understood in human and Christian terms, he identified the heart of the Christian social message (chap. 13), and further goes on to say that "The idea of a world without development indicates a lack of trust in man and in God." (chap. 14)

These Christian-inspired clarifications on the meaning of the concept of development lead us to the second major challenge of the 21<sup>st</sup> century:

How will it be possible to achieve the inevitable industrial development of Southern countries, which concerns 6 billion men and women today, and even 7 or 8 billion tomorrow, without it leading to conflictual tensions and shortages of natural resources that could threaten peace and justice, and without it causing irreversible damage to the environment, notably to biodiversity, which could go as far as to compromise the survival of mankind?

This strikingly fitting question, which requires an urgent response on a planetary scale, is seldom formulated in such a way by the media in Northern countries and even less so by politicians. They generally prefer to be interested in the knock-on short-term effects of any domestic inconvenience that voters may face and in occulting the long-term problems posed by the development of Southern countries on the same basis as for Northern countries.

The response needed for this second challenge is of a political, scientist, industrialist and organisational nature. It is not by appealing to spirituality, morals and virtue that we will be able to convince 6 to 8 billion men to abandon economic development which, alone, can bring food, health care and a roof to the most destitute in Southern countries, and can bring "Western" comfort to the inhabitants of the BRICS who dream of having it. This second challenge concerns, first and foremost, the politicians and industrialists of Northern countries, since for a few more years yet, it will still be Northern countries that will consume the most energy and natural resources; it will still be Northern countries that will possess the knowledge and the financial resources to bring about progress in consumer and investment products as well as production methods.

With regard to the environment, the second challenge mainly relates to three fields: energy and climate, shortages of natural resources and damage to biodiversity. The extent of the risk in any single one of these fields is a sufficient condition to justify a need for change in the organisational and industrial model we now use across the globe.

Nevertheless, for Christian business leaders, no strategic reflection should be made to bring a response to the second challenge without first taking into account the first.

# Energy and climate

Without energy, there can be no development. Today, 80% of primary energy is derived from fossil fuels, the combustion of which releases CO2, the principal greenhouse gas, into the atmosphere. The increase in the concentration of CO2 in the atmosphere is leading to climate change, a fact that nobody can dispute any longer, even if other factors such as solar activity may also be a cause. In just a few decades, a mere blink of the eye in the history of the Earth, human beings have become a geological agent.

Experts from the IPCC are urging governments to react without delay to build a "carbon-free" world. Against such a backdrop, the new discoveries of fossil fuels are reducing the credibility of any market-driven solutions (for the market, scarcer means more expensive, and therefore opens the door to alternative solutions). However, there is urgency to act now; scientists say that it is already too late for us to hope to limit the increase in the average global temperature to 2°C (one of the themes of the next IPCC report in 2014).

Today, we are not able to exclude the risk of a new breaking point in an amplification of the increase in temperature if the current increase is causing the release of billions tons of metastable methane

trapped in hydrates at the bottom of the oceans and in permafrost. Methane has a global warming potential that is 25 times higher than that of CO2.

## - Foreseeable shortages of natural resources

China acquires land in Africa, mines in Indonesia and Afghanistan, and built an impressive navy and air force so as not to allow the United States to have the monopoly on the control of the five straits through which boats supplying them with strategic raw materials have no choice but to pass. Some States even trap the water in the rivers.

The shortage or the hoarding of natural resources has already led to wars, and could lead to a dramatic geopolitical chaos for mankind. If we do not ensure the free access to non-renewable resources, the recycling of raw materials and, at the same time, a drastic reduction in our dependency on fossil fuels in the decades to come, mankind is likely to become fragmented into self-interested, competing strongholds, which will seriously undermine peace and justice in the world.

This is a critical challenge: "The fact that some States, power groups and companies hoard non-renewable energy resources represents a grave obstacle to development in poor countries." (Caritas in Veritate, chap. 4)

# Irreversible harm caused to biodiversity

The number of species currently alive accounts for barely 1% of all those that ever lived on the Earth since the origins of life. The extinction of species is a natural and regular phenomenon – somewhere in the order of one species in a thousand becomes extinct every 1000 years. To this 'routine' extinction can be added five major crises that exterminated between 12 and 75% of the animal groups and up to 95% of species, with the most known being the disappearance of the dinosaurs 65 million years ago. The damage caused by such major crises requires several tens of millions of years to heal. However, the current rate of extinction is 100 to 1000 times faster than the natural rate. In the oceans, the large fish stocks has dropped ten-fold across the globe. All the world records held for the size of fish are prior to 1940 – proof of the systematic loss of marine animal-life.

The causes of the species' extinctions and the weakening of ecosystem functions include over-fishing, the transformation of habitats (in particular due to urbanisation and clearing for agricultural use), chemical inputs, (non-natural) biological invasions, and climate change (Jacques Blondel – Bishops' Conference of France, June 2010).

It is obvious that, if we do nothing, we will enter the age of a sixth major crisis.

# PART TWO Sustainable Development

#### 1 - Goals

#### - Definition

What can be done to meet such challenges?

The only credible response thus far proposed to meet these challenges is the concept of Sustainable Development, which seeks:

- to uncouple development from its perverse effects, to break the current relationship between economic growth and its impact on the environment (environmental deterioration, the consumption of raw materials, pollution, climate change and damage to biodiversity);
- to ensure, as far as possible, the respect of each and every individual as well as the wellbeing of present-day and future generations.

In the 1960s, the Club of Rome proposed to end growth, affirming that the development of Northern countries is neither generalizable to Southern countries, nor sustainable. The international community is well aware of the environmental challenges: scientists are rallying together, NGOs are forming, and Northern countries have created Departments for the Environment (France in 1971). Moreover, the UN decided to establish the Brundtland commission, headed by Mrs Brundtland, Prime Minister of Norway.

In 1987, the Brundtland commission's report, entitled "Our Common Future", formulated a new development method, – Sustainable Development – which "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."

Man is central to the definition of Sustainable Development. For Christians, this development must be integral for man, for each man, and for the whole of man, now and in the future. The hierarchy of values must not be reversed, it is not the planet we have to save but mankind! In the concept of "needs", we must also include basic, physiological and safety requirements as well as the needs for belonging, esteem, achievement and self-realisation. In meeting the first challenge, we can fulfil these requirements.

Obviously, humans cannot detach themselves from this planet, which has a value in its own right, and which provides us with the resources we need. In meeting the second challenge, we can fulfil this second requirement.

The international community is gradually taking the concept on board. In 1992, the Earth Summit in Rio brought together leaders of 170 countries and NGOs who recognised the importance of climate change. They signed a convention laying down objectives to eradicate poverty, to fight against global warming, and to preserve natural resources –objectives seemingly incompatible. The Kyoto Protocol, adopted in 1997, and implemented in 2005, aims to halve global greenhouse gas emissions by 2050 (compared to 1990 levels). Northern countries are committed to cut their emissions by 3/4s to allow the Southern countries to double theirs. This agreement aims to limit the increase in the

Earth's temperature to 2°C during the 21<sup>st</sup> century. This protocol, signed by 160 countries, revealed a show of strength between China and the United States, two countries which did not sign it. In 2002 in Johannesburg, the World summit on Sustainable Development renewed the Rio commitments and the Brundtland Report recommendations by approving the three strands of Sustainable Development – social, economic, and environmental – in order to build an equitable, viable and *livable* future, i.e. one that is sustainably compatible with the natural resources available, and ethically justifiable.

Since the publication of the report, the explosion in the economical exchanges due to globalisation has resulted in the introduction of a fourth – cultural – strand, which takes into account the respect of diversity, personal freedoms, local heritage and ethnic & religious identity.

In 2010, the Copenhagen climate change conference confirmed the political rivalry between China and the United States, but nevertheless, even though the subsequent conferences did not allow for credible action to be taken following the Kyoto protocol, there is still hope that the governments will in time make quantified commitments that are commensurate with the challenges.

The industrial world, reticent at the outset, has come to understand the challenge at hand, and has progressively started to show greater concern for the environment. When taking a decision today, any person in a position of responsibility must now ask themselves about the impact of their decision in terms of cost, effectiveness and risk. The cost corresponds to the economic strand of Sustainable Development, the effectiveness to the social strand and risk to the environmental strand. Effectiveness is to be understood in its broadest sense with respect to fulfilling the needs of individuals, the Common Good and the public interest.

At the macro-economic level, the Report by the Commission on the Measurement of Economic Performance and Social Progress, known as the Stiglitz Report, devotes one of its three chapters to Sustainable Development and the Environment, and stresses that "the well-being of future generations compared to ours will depend on what resources we pass on to them. Many different forms of resource are involved here. Future well-being will depend upon the magnitude of the stocks of exhaustible resources that we leave to the next generations. It will depend also on how well we maintain the quantity and quality of all the other renewable natural resources that are necessary for life. From a more economic point of view, it will also depend upon how much physical capital – machines and buildings – we pass on, and how much we devote to the constitution of the human capital of future generations, essentially through expenditure on education and research. And it also depends upon the quality of the institutions that we transmit to them, which is still another form of "capital" that is crucial for maintaining a properly functioning human society." (Stiglitz Report/ratio, page 67, §127)

## - An often misconstrued concept

The concept of Sustainable Development is often reported and portrayed in the media in a distorted, partial, even caricatural way, so as to answer to the sensitivities of citizens to local environmental concerns. In spite of the last twenty years since Rio, this concept is often "betrayed" when it is too largely, or even exclusively used as a synonym for ecology.

People readily speak about the ecological challenges without associating it with economic and social constraints nor with the challenge of development. This misconception is generally due to an ignorance of the concept and of the challenges which gave rise to it. We have seen with our own eyes that the man in the street, when questioned during street interviews, only views Sustainable Development from its ecological angle. Moreover, many economic leaders reduce it to a set of legal constraints involving an additional workload & costs that result in a loss of competitiveness.

Globally speaking, the environmental dimension also often takes precedence over the fight against poverty, much to the despair of the leaders of Southern countries. If we observe what has transpired since Rio, we are forced to note that the commitments in terms of financial aid made by Northern states have not been respected and that their citizens are more concerned about being poisoned by the air, water and food they breathe or ingest than by the millennium objectives which would provide support for Southern countries.

We must however unreservedly reject the progressive notion that the term "Sustainable Development" is an oxymoron, i.e. the combination of two contradictory words. The results obtained in Northern countries thanks to regulations or the voluntary commitments made by companies with regard to the environment show that this is indeed nothing of the sort and that economic and social development can indeed be coupled with a better respect for the environment.

# - A look at ecology

The inclusion of environmental considerations in the concept of Sustainable Development leads us to question the philosophical and theological basis of ecology.

Ecological awareness dates back to before the 19th century, but it is only during the last two centuries that ecology has aroused the interest of philosophers and theologians and has spread across the western world. The founding currents of modern ecology are varied. For the historian Hans Jonas (1903-1993), nature could not have taken a greater risk then to allow man to be born. For the contemporary philosopher Peter Singer and "speciesism", a severely disabled person is of less value than a monkey in good health. The philosopher Arne Naes (1912-2009) perceives man as an epiphenomenon in a whole which is beyond comprehension. Advocates of the somewhat threatening "Deep ecology" believe that the Earth is a living being whose existence is threatened by human activities; man is a matricidal and perverted monkey that takes possession of nature and defiles it. For the 'New Age' movement, ecology entails criticism of the consumer society, the return to primitive wisdom, to the myth of the noble savage, to Gaia, the Mother Earth. For hedonists, nature is an object of consumption for the exclusive pleasure of the consumer, who focuses on his personal wellbeing. The American historian Lynn White (1907-1985), referring to Genesis, directly blames Christianity for placing man above all other living things, for desacralizing nature and causing the wanton destruction of the planet. For the social critic and thinker on political ecology, Ivan Illich (1926-2002), Christianity promotes growth so as to maintain social injustice.

Please note that these abridged descriptions do not claim to summarize the thoughts of their authors. Doing so would be inaccurate and unjust because these thinkers did, after all, have the merit of alerting others to the downward spiral of an excessive anthropocentrism. Their aim is to show the diversity of the philosophical currents in relation to the relationship between man and nature.

It is necessary to note, however, that the majority of these concepts have been at the origin of currents of thought intent on deconstructing both the basis for humanism and, more specifically, the bedrock of Judeo-Christian traditions.

In the second half of the 20<sup>th</sup> century, the emergence of ecology in our societies occurred in two stages. The first stage was the caution sounded by scientists and economists who were alarmed at the lack of respect for natural balances and the programmed depletion of certain natural resources and at the increasing number of, and increasing violent, natural disasters. They have our thanks! Nobody would dispute the need for this word of warning; this awakening to the risks that mankind is facing is welcome and salutary.

The second stage is currently underway, where the best and worst can be found together, the different challenges are often mixed up, confused and not prioritised, sometimes by ignorance, often intentionally so as to reap different personal or political benefits.

The best is the emergence of a healthy ecological conscience and all the measures that have been taken over the past decades, both to start to restore the integrity of the planet in places where it has been ravaged and to prohibit any further degradation of our environment. In places where the standard of living is highest, the quality of the air, water and the landscapes is constantly being improved. Thanks to the regulations introduced, the modest growth rate of the North is without exception no longer conducive to an increase in pollution. The example of air quality in European cities is significant here: it has seen a regular overall improvement every year since the 1950's despite road traffic levels that are 5 times higher today.

The worst would be a return to Malthusian theories, even to a Millenarian fear which would end in individuals refusing science, progress, and Christian values, and in promoting a return to nature presented as a synonym of the golden age.

We can already see this happening in certain current tendencies. International bodies, the UN, UNESCO, current governments or important figures like Mikhail Gorbachev and Al Gore, who worked to promote a change of civilization can also become, consciously or not, relays of thought which work to undermine religion. On a fundamental level, the implementation of Sustainable Development through the United Nations Environment Programme (UNEP) is steered according to the values and the ethics of its decision makers, and may therefore raise doubts or reservations.

In Rio in 1992, ecology rather took precedence over development, much to the dismay of Southern countries, and we could even see pantheism attempting to impose itself as a new religion for the globalised world. The Secretary-General of the UN, Boutros Boutros-Ghali, concluded his short closing statement in these terms: "To the ancients, [...] throughout the world, nature was the abode of the divinities that gave the forest, the desert or the mountains a personality which commanded worship and respect. The Earth had a soul. To find that soul again, to give it new life, that is the essence of Rio."

And what can be said of the UN General Assembly which on April 22<sup>nd</sup> declared "international Mother Earth Day"? During one of the ceremonies in Cochabamba, Bolivia, the organisers called for respect to be shown to a set of "rights" that Mother Earth should now enjoy. Christians cannot advocate a return to the sacralisation of nature!

Zero risk and de-growth can paralyze research or lead to dangerous utopias, but the precautionary principle is nonetheless necessary, for we need to manage the risks stemming from the exponential development of new technologies. If we exercise precaution without proper judgement, it could deprive man of his creative capacity by hampering scientific progress. The difficulty lies in how we put this principle into practice: How do we determine the right balance?

Christians can be drawn towards ecologically based reasoning which seems to apply universal values. On a fundamental level, Christians must, however, remain vigilant not to identify with paradigms that are nothing more and nothing less than new ideologies, even new religions in which man loses himself in nature, an idolised nature. We also believe that it would be somewhat excessive to reduce the thought of Saint Francis of Assisi to the singing of birds and to the canticle of Creation!

People should not have to be embarrassed about progress nor have to defend themselves for having brought about industrial and economic development. The social gains, universal health care and the resulting increased life expectancy we enjoy in Northern countries already answer the charges condemning Christian anthropocentrism, and speak for themselves.

#### 2 - Meeting the spiritual, ethical, cultural and educational challenge

Sustainable Development is not a static concept. It is an approach that underpins an ethical conception of nature, the person and society. For Christians, the development of mankind is not reduced to only economic, social and environmental considerations. In our implementation of Sustainable Development, we must also meet the first challenge, based on spiritual, ethical, cultural and educational considerations. Benedict XVI reminded us: "such development requires a transcendent vision of the person, it needs God" (Caritas in Veritate, § 11)

And he emphasises this necessary vision: "It is contradictory to insist that future generations respect the natural environment when our educational systems and laws do not help them to respect themselves. The book of nature is one and indivisible: it takes in not only the environment but also life, sexuality, marriage, the family, social relations: in a word, integral human development" . (Caritas in Veritate, chap. 51)

#### - Informing, educating, and training

In a democracy, nothing can be achieved without understanding the stakes involved and without the endorsement of the people. In order to bring about the social change necessary for implementing Sustainable Development, we need to begin by informing, educating and training citizens.

The family, the school, the company and the media are all vectors which allow the transmission of knowledge and the know-how "to live" correctly.

The cradle of education is the family, and it is initially within families that people learn to become mindful of the importance of frugality, and showing respect to nature and to our neighbour. Ecological gestures must be taught in order to ensure that proper consideration is shown for the environment and for social solidarity in future business operations and in the shaping of a sustainable future. They must be taught much less for their effectiveness, which is not so easily quantifiable and, at any rate, negligible, than for their positive dimension, which includes the values of solidarity to which such ecological gestures testify, as well as their pedagogical value.

In France, the State has added the teaching of Sustainable Development to the curriculum of State education, not as a discipline in its own right, but as a cross-cutting discipline feeding into all the other disciplines, encouraging them to contribute to Sustainable Development. Thus, since 2006, the French curriculum (Common base of knowledge and skills)¹ makes clear that: "mastering the common knowledge base [...means...) being in a position to understand the major challenges of mankind, cultural diversity and the universality of human rights, the need for development and requirements for planetary protection."²

During this long period of scholastic learning, the three strands of Sustainable Development must be taken into account on an equitable basis, notably by explaining why social and environmental considerations are indissociable from the economic one, which actually generates the finance for the other two. It also falls upon the family and civil society to keep a watchful eye on what is taught in schools with respect to Sustainable Development, which is not an exact science and whose quality

<sup>2</sup> Translated from the French: "Maîtriser le socle commun, (...) c'est être en mesure de comprendre les grands défis de l'humanité, la diversité des cultures et l'universalité des droits de l'homme, la nécessité du développement et les exigences de la protection de la planète."

<sup>&</sup>lt;sup>1</sup> In France, the common base of knowledge and competencies introduces what every student must know and master at the end of compulsory schooling (end of 3ème in junior secondary). It represents all the knowledge, competencies, values and necessary attitude for the student to succeed his/her schooling, his/her life as an individual and future citizen.

depends on the ethics of the teacher, in relation to both the first challenge as well to the second. The same applies to the information broadcast by the media.

Training will continue into working life, in particular in the company. Generally speaking, very large companies have a department for Sustainable Development responsible for training among other functions and reporting directly to the Chief Executive Officer It goes without saying that it is through the training of personnel that a professional approach can be developed, which will be able to nurture the company in this field. In SMEs and SMIs, this task will fall upon the CEO. This professional approach can be learnt, it has a cost which should be included in the budget. The knowledge must be disseminated to the company's suppliers to ensure consistency across the supply chain. It must also be disseminated to the consumer, whenever possible, through an honest and genuine advertising campaign for the company's products and their use.

# - The Vision of catholic Teaching

In France, on March 15th, 2013, the permanent commission for Catholic education adopted a text entitled "An essential dimension of education: Teaching the universal, development, and a commitment to solidarity - Challenges and guidelines for Catholic teaching." <sup>3</sup> This text stresses that "the approach taken in this thought process was to move from education to Sustainable Development, a crucial point insofar as it is included in programmes with a view to gradually broadening what would seem to be an essential contribution to the educational plan for Catholic teaching".<sup>4</sup>

The notion of the 'universal' emphasised here consists in living solidarity and a sense of commitment, both on our doorstop and beyond, in teaching peace, living globalisation with an open mind and in being responsible for the world and its development. The approach is designed to focus on the integral development of the human person placed at the centre of creation: "The integral training of an individual, which is at the heart of the educational plan for Catholic teaching, encourages us to address the question of development and the manner in which it is taught from five different angles. The first four have already been mentioned: economic, environmental, social, and cultural, and it seems appropriate to add a fifth – spiritual."<sup>5</sup>

# - What Christian sense should be given to Sustainable Development?

In the first chapter of Genesis, God says "Let us make man in our own image, [...] and let them be masters of the fish of the sea, the birds of heaven, the cattle, all the wild animals and all the creatures that creep along the ground." God thus affirms that man is not an animal like the others, and that nature should not be idolised, thus ensuring mankind is free from any alienation with respect to nature. In the second chapter, "God took the man and settled him in the Garden of Eden to cultivate and take care of it." Far from being contradictory with the first chapter, it is complementary, by affirming that nature must be received as a gift granted to man, for him to take care of it as its good steward. These two accounts about the creation, void of any historical or scientific intent, represent the Judeo-Christian response given by the sages to the eternal questioning of man as to the meaning of his existence. The harmony of creation is not to be found in some mythical past, an original paradise lost and regained, but in an alliance and a promise that will be kept.

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<sup>&</sup>lt;sup>3</sup> Title in French "L'éducation à l'universel, au développement, à l'engagement solidaire – Enjeux et repères pour l'enseignement catholique"

<sup>&</sup>lt;sup>4</sup> Translated from the French: "La démarche entreprise dans cette réflexion a été de partir de l'éducation au développement durable, point incontournable dans la mesure où il est inscrit dans les programmes, pour l'élargir progressivement à ce qui apparaît comme une contribution essentielle au projet éducatif de l'Enseignement catholique."

<sup>&</sup>lt;sup>5</sup> Translated from the French "La formation intégrale de la personnalité au coeur du projet éducatif de l'enseignement catholique incite à penser la question du développement et son éducation selon cinq dimensions. Ainsi, aux quatre premières déjà citée : économique, environnementale, sociétale, culturelle, il paraît opportun d'ajouter la dimension spirituelle."

For the first time in an encyclical, Benedict XVI approached the relationship between man and the natural environment, i.e. the third strand of Sustainable Development. He proposes "what might be called a human ecology" (Caritas in Veritate, chap. 51). In only a few words, five chapters out of 79 (48, 49, 50, 51, 52), he expresses the essence of the matter. Chapter 48 calls upon us to respect creation: "The environment is God's gift to everyone, and in our use of it we have a responsibility towards the poor, towards future generations and towards humanity as a whole" (chap. 48). Chapters 49 and 50 are devoted to the energy issue and with the management of natural resources, and chapter 51 couples the respect of nature with the respect of the man.

Indeed, protecting the environment that surrounds us is synonymous with protecting man from his own destruction. We can often note that it is in places where extreme poverty and war prevail that the environment is subjected to the most serious harm. Only rich countries can finance the protection of nature. Both therefore go hand in hand.

We unreservedly advocate the values promoted by ecology when they lead us to show proper consideration for the sustainability of the planet and the life it supports. It falls upon us to "protect all creation, the beauty of the created world, [...] to be protectors of God's gifts!" (Homily of Pope Francis, 19-03-2013). In France, the Economic and Social Council has become the Economic, Social and Environmental Council. And in the same way, was Benedict XVI, with his Caritas in Veritate, not moving towards replacing the social doctrines of the Church, which in reality, since 1891, have been social and economic doctrines, with social, economic and environmental doctrines? The authors of this document wish and hope that the successor to Saint Peter's throne will continue down this path!

On the other hand, we consider that ecology no longer promotes Christian values when its ideology is transformed into radical 'ecologism'. The ecological concern must be coupled with the economic and social aspects of development, without which it is likely to lead to proposals which in the worst scenario would be unrealistic, even harmful to the integral development of man, or in the best scenario would not have an optimal impact in terms of cost & effectiveness & risk. Benedict XVI clearly enunciated his thoughts on the matter: "But it should also be stressed that it is contrary to authentic development to view nature as something more important than the human person." (Caritas in Veritate, chap. 48)

## - A Development that brings immense hope

"The actions of man within the universe, and, singularly, the economic activities which are part of them, are a response to God's plan for him. The ultimate aim of economic activity is the good of man, but in reference to God's plan and his glory." (Facing the challenge of unemployment: creating and sharing [wealth], § 16 - Social Committee of the French bishops' Conference - 1988)<sup>6</sup>

The steps taken by Christian leaders towards achieving Sustainable Development may be as much the result of experiencing an inner conversion of mind leading to a new manner of being, as the result of acquiring the knowledge that can spur any Christian to act. "It is the universality of the very components of the life of man that is expressed by the three components of Sustainable Development: social for his dignity, his physical and moral integrity, economic for his activities, his exchanges, and his wellbeing, and environmental for man's natural and cultural heritage." (Everybody wins, the dynamics of Sustainable Development, Dominique Bidou, Ibis Press, 2004)<sup>7</sup> Sustainable Development sets us

<sup>&</sup>lt;sup>6</sup> Translated from the French "L'action de l'homme au sein de l'univers, et singulièrement l'activité économique qui en fait partie, sont une réponse au dessein de Dieu sur lui. L'activité économique a pour finalité le bien de l'homme, mais en référence au dessein de Dieu et à sa gloire." (Face au défi du chômage : Créer et partager , § 16 - Commission sociale de la Conférence des évêques de France - 1988) »

<sup>&</sup>lt;sup>7</sup> Book, published in French, entitled "Tous gagnants, La dynamique du développement durable", Dominique Bidou, Ibis Press, 2004 - "C'est l'universalité des composantes mêmes de la vie de l'homme qui est exprimée par les trois composantes du développement durable : le social pour sa dignité, son intégrité physique et morale, l'économie pour ses activités ses échanges, son bien-être et l'environnement pour le patrimoine naturel et culturel de l'homme."

on the path to applying the Gospel principles: the universal destination of goods, a preferential option for the poor, the uniqueness of the human community, and the principle of subsidiarity.

This task might appear daunting given the sheer immensity of the challenge and the blindness or the inertia that can be observed. But for entrepreneurs, is it not a monumentally exhilarating task, and for Christians, does it not bring immense hope? "We need to see the light of hope and to be men and women who bring hope to others. To protect creation, to protect every man and every woman, to look upon them with tenderness and love, is to open up a horizon of hope; it is to let a shaft of light break through the heavy clouds; it is to bring the warmth of hope!" (Homily of Pope Francis, 19-03-2013)

Sustainable Development is the expression of the solidarity of the rich towards the poor, of Northern countries towards Southern countries, and the solidarity of present generations towards future generations. This solidarity should not be understood as a transfer of money, but as the setting up of investments, technology transfer and the training of men and women who will be locally in charge of the implementation.

As was the case for Northern countries, the development of Southern countries has its origins in business operations and in the local creation of added-value, which allow the exchange of wealth, goods, the fruits of the Earth, and the creative spirit & work of men. In the North as in the South, wealth is mainly divided between capital, employees and the State at the moment of its creation. The State's distribution of wealth carried out through its spending on different development projects (e.g. related to Government functions, social needs, health, education, and regional planning) can only be sustained if, initially, this wealth is created locally. We should not simply count on "taking from the rich" to give to the poor. Likewise, "to take from Northern countries" to give to Southern countries, by sharing or redistributing existing wealth will not bring about their autonomy.

"We cannot content ourselves with seeking more justice through the sharing of wealth, even though this is necessary. We also need to fight against the inertia and the despondency which undermine creativity and the entrepreneurial spirit; it is not simply a question of redistributing assets, but also one of freeing the creative imagination so as to increase them." (Facing the challenge of unemployment: creating and sharing [wealth], §16 - Social Committee of the French bishops' Conference - 1988)

But we must also bear in mind that if economic development is made the primary goal, as a sufficient end in itself, it will not be sustainable. It must allow our openness to the "free essentials": love, friendship, beauty, openness to God and to our fellow man, and allow us to gain our place as a Servant and not as a Master. Globalisation and its associated means of communication have resulted in interdependency, which in turn has led us with good reason to promote equality and a globalized community between men. But without faith and charity, this will not give rise to a genuine brotherhood of men, and thus achieve the integral development of man.

As Christian entrepreneurs and business leaders, we are first and foremost seeking a form of prosperity where the economy serves individual men, but an individual man in relation to other men and to God, and we obviously take an interest in its implementation: "God wants a people who, in times of abundance, continues to beg for his grace". "To beg for grace in times of abundance is not a beautifully-sounding, reassuring averment for both the mind and the body, but an exhortation and an

§ 34 - Commission sociale de la Conférence des évêques de France, 1988

<sup>&</sup>lt;sup>8</sup> Translated from the French "On ne peut aujourd'hui se satisfaire de rechercher plus de justice au moyen du partage, même s'il demeure nécessaire. Il faut de plus combattre l'inertie et le découragement qui compromettent la créativité et l'esprit d'entreprise ; il ne s'agit pas simplement de répartir l'acquis, mais aussi de libérer l'imagination créatrice pour l'augmenter." (Face au défi du chômage : Créer et partager,

avowal, without which economic abundance would beget non-openness, pride and fear." 9 (Pastor Andre Dumas)

# 3 – Meeting the political, scientific, industrial and organisational challenge

#### - Mankind, capable and responsible

To believe in a God is also to believe in man and in his capacity to assist and to carry on the divine creation.

60 years ago, the Marshall plan mobilized the financial and industrial power of the United States to lift Europe out of the ruins of war, and 40 years ago, the United States mustered all the power of its technology to send a man to the moon. These two examples are testament to the fact that, when there is a powerful vision which gives rise to a project, it is followed by citizen endorsement, a sense of ownership by the people, thereby making it possible to achieve extremely ambitious goals in human and technological terms.

In forty years, the pace of scientific progress has accelerated and information and communication technologies are laying the ground for a new revolution in the organization of all human activities. At the beginning of the year 2000, the International Energy agency affirmed that 54% of the Kyoto objective to reduce greenhouse gases could be reached with the then already operational technologies. Who would dare to say that we do not have the organisational and technological means today to shift our industrial model towards a low-carbon society, where non-renewable raw materials are recycled, pollutants are treated, deforestation is halted, and agricultural land is cultivated in a balanced way so as to feed future mankind?

With the 1960 model, we doubtless would have needed five planets to decently support 9 billion inhabitants, but since then, the industrial and organisational context has changed and will probably continue to change even more rapidly. Should we keep looking at tomorrow through the eyes of today and continue to reason on the basis of an immutable organizational model and technology?

We have seen that the availability of energy is the crucial driving force to economic development. Contrary to what is perceived by public opinion generally, there is in fact an abundance of primary energy. Oil, gas and coal are practically interchangeable, and there are still very large reserves of gas and coal. Nevertheless, we do need to replace fossil fuels as fast as possible, with energies that do not produce greenhouses gases, and to reserve them for chemical industries that require carbon atoms. And let us not forget two alternative sources of energy: the sun, which every second sends us approximately 8 ooo times the energy consumed by all human activity in the same period of time, and geothermal energy, which is virtually inexhaustible. This does by no means exclude both the parallel research into ways to achieve the maximum energy efficiency of organizations, manufacturing processes and products on the one hand, and the permanent concern by individuals to save energy on the other.

In spite of the abundance of these resources, temporary shortages are however quite foreseeable if ever investments are insufficient or are badly planned. This also applies to the farming of cultivable land and to the exploitation of drinking water resources if ever these resources are not shared on an equitable and fair basis.

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<sup>&</sup>lt;sup>9</sup> Translation from the French "Dieu veut un peuple qui, dans l'abondance, continue de mendier sa grâce » et « Être mendiant de la grâce dans l'abondance n'est pas une belle formule rassurante pour la conscience, comme pour le corps, mais une exhortation et un aveu, sans lesquels l'abondance économique engendre la fermeture, l'orqueil et la peur." (Pasteur André Dumas)

The digital revolution has multiplied the possibilities of organizing all human activity more efficiently. The organisation of a common European airspace would considerably reduce kerosene consumption. The creation a "virtual" subsidiary for two companies working on the same project would reduce the costs and the time needed to commercialise the end-product.

Two points deserve special attention: the circular economy and the service or functional economy:

The circular economy consists in organising a waste-free world by manufacturing using recycled materials, by using the smallest amount of materials, by envisaging a possible reuse for products and by re-exploiting waste. Profit is only possible in a mature economy where the initial stock already exists, which is the case for Northern countries, but which is far from being the case in Southern countries, and this is indeed a problem.

The service or functional economy consists in replacing the sale of a good *per se* with the sale of its use. In many situations, the capital employed, the energy, and natural resources consumed are not as high.

#### - Decrease of GDP: a utopia

Today, world GDP is roughly distributed as follows: 2/3 is generated by Northern countries and 1/3 by Southern countries. In 2050, world GDP could be double that of today, and its distribution inversed: 1/3 for Northern countries and 2/3 for the Southern countries. These orders of magnitude give an idea of the change in progress, the financial resources which will be invested and the natural resources which will be consumed. The whole world would like to replace GDP with GDH – Gross Domestic Happiness. The Stieglitz Report lay the ground, but we are very far from achieving consensus on a new index, and whatever might replace GDP to measure economic and human development, it would be unrealistic to think that Southern countries could escape poverty other than by creating wealth locally, and therefore, other than developing economically. The development of the South is underway and will continue through production and the use of capital goods, industrial goods, service and consumer goods which, directly or indirectly, necessitate energy and natural resources.

It would be unjust to suggest a policy of non-growth for the South and, in any event, unrealistic. To suggest a policy of de-growth in the North, which could compensate for growth in the South, is also unrealistic. To discourage any attempt at a move in this direction, we need only to make a calculation by comparing the GDP per capita & the number of inhabitants in the North and in the South, and then add the sensitivity of the unemployment rate to variations in the rate of growth: a drop of one percentage point in economic growth corresponds to tens of thousands more unemployed people. What government would dare to propose such a policy? And what citizen would be willing to accept it?

Global de-growth is a utopia: the democracies of the North will never resign themselves to programmed economic regression, and the leaders of the South will not slow down the economic development of their countries, even though they are clearly aware of the environmental problems.

#### - The role of politics and public authorities

State intervention is essential when market forces alone cannot ensure the protection of the individual or the preservation of the Common Good. It thus falls upon the State to lead development by modifying any regulations that hinder the work of companies in their implementation of Sustainable Development. Moreover, the role of political authorities is to facilitate, support and monitor economic activities in order to achieve the goals fixed at Rio and Kyoto. The State has the

responsibility to support the research and development of new technologies and new products when their profitability is either uncertain, or too far off. It must also take care not to compromise the survival of national companies. Moreover, the State can negotiate and sign contractual commitment agreements with companies with a view to implementing best practices.

States also have a duty to work together to institute, in accordance with the principle of subsidiarity, rules of world governance in order to prevent distortions of competition.

We also need the men and women who govern us to be perceptive and pragmatic, and they should not resort to demagoguery. Industries will always come and go. It would be vain to believe that we can keep afloat an industry that no longer has the means to be competitive or which no longer can find a market. In these conditions, the State should not demonstrate therapeutic obstinacy so as to artificially keep a condemned industry afloat. However, the State and the heads of the company concerned have a duty to show concern for the future of the employees who will lose their jobs, and they should do everything in their power so that these men and women can find alternative employment. Just one example: the recycling of steel may result in the closure of iron mines and blast furnace foundries, but as a "compensation" it also leads to the construction of new electric steel-works.

Obviously today, the recent financial crises, due to the complexity and the excessive deregulation of international finance, whose effects have been accentuated by information and communication technologies and the globalisation of exchanges, as well as a preference for the short-term profitability of capital, represent obstacles to the implementation of Sustainable Development. Only the States can change the rules of the game in these areas by introducing regulations, incentives and taxes. The financial world must be regulated so as to serve the economy. The economy must in turn serve man.

We also unreservedly approve of Al Gore's proposal made at the beginning of the 1990s for a new "Marshall plan" to assist Southern countries. This plan would have the additional merit, like the former Marshall plan for the United States, of lifting Northern countries out of the crisis situations stemming from the under-employment of the industrial base and the workforce – on the one condition, of course, that this plan leads to the giving of fishing rods, and not of fish, to people who want to feed themselves!

# - The role of companies

The primary goal of companies is neither a charitable, nor a philanthropic one. Its primary goal has always been commercial and social in nature: investors, who risk their money in the company, in addition to the leader & the employees, who create added-value, generate wealth, which a government can, in turn, use to finance social protection, health, education, security and decent living conditions for its citizens. Productivity gains are generated within the company and help increase the purchasing power of those with an income. To this traditional goal can now inescapably be added a responsibility towards the environment and other stakeholders: customers, suppliers, and authorities, etc.

The companies thus have a particular responsibility with regard to the implementation of Sustainable Development: first of all because they are the ones that will tell the world about the scientific & technological discoveries, for which they are, to some extent, transmission channels; and because they need to consider the impact of their production methods, the services they propose and the products they manufacture on the environment. This does not mean having to abandon any level of development, or business growth, but it does mean re-examining the methods and procedures used, especially in light of the pace of the potential progress of insufficiently regulated

technologies and their collateral effects, be they beneficial or even sometimes perverse. Business executives must now show the example, in light of their responsibilities and the means they have at their disposal. The way mankind lives is mainly changed by the products and services provided by companies, and it is with these products and services that circular and service economies can be implemented, allowing us to do more and better with less. Corollary to this, customers are increasingly better informed on the impact their consumption has on the environment and are increasingly keen to limit these perverse effects. Thus, companies that do not integrate this new paradigm into their strategy will cease to exist.

Companies will play a fundamental role in the implementation of Sustainable Development by setting the example, which they can and will do by taking account of the two challenges that we all need to meet. This process will start with a change in the company leader's personal attitude and will filter out into the company's mission statement, into the way the company is organised (the majority of very large companies have a department for Sustainable Development) and into the efforts made to re-examine production methods and the life cycle of products. It is obviously through the training of personnel that the company will be able to develop a professional approach to Sustainable Development. This professional approach can be learnt, it has a cost which should be included in the budget.

The knowledge must be shared with the company's suppliers so as to ensure consistency across the supply chain. It must also be disseminated to consumers in order to ensure that products are used the way the manufacturer intended.

The document by the Pontifical Council for Justice and Peace, "The vocation of the business leader - a reflection", presents the role of the company as:

Judging: Good business decisions are those rooted in principles at the foundational level, such as respect for human dignity and service to the common good, and a vision of a business as a community of persons. Principles on the practical level keep the business leader focused on:

- producing goods and services that meet genuine human needs while taking responsibility for the social and environmental costs of production, of the supply chain and distribution chain (serving the common good, and watching for opportunities to serve the poor);
- organising productive and meaningful work recognising the human dignity of employees and their right and duty to flourish in their work, ("work is for man" rather than "man for work") and structuring workplaces with subsidiarity that designs, equips and trusts employees to do their best work; and
- using resources wisely to create both profit and well-being, to produce sustainable wealth and to distribute it justly (a just wage for employees, just prices for customers and suppliers, just taxes for the community, and just returns for owners).

Acting: Business leaders can put aspiration into practice when they pursue their vocation, motivated by much more than financial success. When they integrate the gifts of the spiritual life, the virtues and ethical social principles into their life and work, they may overcome the divided life, and receive the grace to foster the integral development of all business stakeholders. The Church calls upon the business leader to receive—humbly acknowledging what God has done for him or her —and to give—entering into communion with others to make the world a better place. Practical wisdom informs his or her approach to business and strengthens the business leader to respond to the world's challenges not with fear or cynicism, but with the virtues of faith, hope, and love. This document aims to encourage and inspire leaders and other stakeholders in businesses to see the challenges and opportunities in their work; to judge them according to ethical social principles, illumined for Christians by the Gospel; and to act as leaders who serve God.

# - The role of civil society

Sustainable Development is within our reach. In a democracy, the public domain is entrusted to citizens, and requires citizens to understand what is necessary for the good of all men, and to understand the stakes involved, inciting them to commit themselves. To be personally willing to act and to affirm such as commitment is already an important step towards the implementation of Sustainable Development. It is important to share and to encourage others to share this vision and the will to act, in all objectivity, by informing, teaching and training, both ourselves and others. Thus, citizens will be able to accept, willingly and without regret, measures that could otherwise be unpopular, if necessary. The proper informing and educating of citizens on the real challenges is crucial to our being able to meet them.

In a democracy, citizens can act by putting pressure on governments to make the right policy choices. But one of the weaknesses of our democracies is also the risk of demagoguery by political parties that may want to exploit niche knowledge and beliefs, limited to our immediate personal worlds, and by political parties that may take care not to inform others about the real planetary issues. Politicians who listen to voters will generally not make decisions that go against the verdict of the polls. In the same way, marketing departments by companies, looking to satisfy the wants of the consumer, will only offer greener products if the potential buyers exist or if the necessary regulatory constraints are in place.

Citizens can also, through their choice of financial investments, support the companies which, through their behaviour, best contribute to Sustainable Development. In France, with collective investments funds designated as being Socially Responsible, the choice of issuing body takes account both of financial criteria and social, environmental and governance-related factors. Only those companies with the best behaviour are selected. Socially Responsible Investment (SRI) Management is accompanied by a questioning of behaviour which leads to the improvement of all the stakeholders involved.

Citizens, depending on their social standing and competence, also have a duty to take part in important democratic debates on whether certain matters should be sponsored by public authorities: nanotechnologies, energy transition, and ethical debates on life, death, the protection of children, etc. Trade unions and NGOs are also useful stakeholders and counterweights, which have a duty to alert society to any risks, abuses and excesses, be they of an economic, social or environmental nature. Their role is a positive one when constructive and mutual dialogue is established with the company.

#### **PART THREE**

## Implementation of Sustainable Development

# 1 - ISO 26000, a guidance on Social Responsability to implementing Sustainable Development

### - An international backdrop

Sustainable Development concerns all organizations and every single one of us. Its implementation is a social responsibility. The uptake of Sustainable Development by the different types of stakeholders is progressing in somewhat of a chaotic way, but it is nonetheless progressing: signatories commit themselves, but do not achieve anything concrete; often public money alone is not enough to shift direction. But fortunately, the market, production and services seem to offer possibilities for progress to be made. New regulations, both voluntary and mandatory, both international and national, are being instituted. Since the Earth Summit in Rio in 1992, the Agenda 21 (21 for the 21<sup>st</sup> century) has set out the way forward by offering guidance for public authorities. Theme-specific standards have been introduced: ISO 14001 for the environment, SA 8000 for social accountability, and ISO 50001 for the improvement of energy efficiency, etc. The launch of the Global Reporting Initiative (GRI) in 1997, and then the New Economic Regulations (NRE) law in 2001 in France, both introduced guidelines for reports on Sustainable Development produced by companies. In 1999, Kofi Annan in Davos went beyond the dogma of national sovereignty by proposing owners of multinationals to sign the Global Compact, ten commitments relating to respect for human rights, employment standards and the environment.

# - Developing the international standard

In recognition of how universal the concept of Sustainable Development had become, a study was launched in 2005 into the standard ISO 26000, a standard largely based on France's initiative SD 21000, which had offered guidance on how to include Sustainable Development in corporate strategy and governance since 2003.

The different types of stakeholder were gradually involved in the definition of rules for a global concept of social responsibility, for a common methodology and international governance: initially limited to governments and international agencies at the Johannesburg summit and for the signing of the Climate convention, it was gradually extended to all other stakeholder types.

The developing of the international standard ISO 26000 sparked a debate on the concept of the company and the role of companies in society. It involved trade unions, companies, NGOs, scientists, consultants and consumers, 90 countries, 40 organisations, 426 experts and 170 observers.

The standard ISO 26000 is one stage of a process involving all stakeholders leading to principles of international governance. It brings together two different visions:

- the American notion of contractual logic based on ethical principles and stakeholder negotiation, which promotes the Common Good
- the European notion of institutional logic, which views social responsibility as a means of implementing Sustainable Development.

The standard is founded on negotiated texts, and implies more and "better" State.

Social responsibility is defined, according to this standard, as "responsibility of an organisation for the impacts of its decisions and activities on society and the environment through transparent and ethical behaviour that is consistent with Sustainable Development and the welfare of society; takes into

account the expectations of stakeholders; is in compliance with applicable law and consistent with international norms of behaviour; and is integrated throughout the organisation."

The standard applies to all types of organization and all branches of industry, wherever they operate and whatever their sphere of influence. It is usable by small, medium or large organizations. It does not give rise to certification by a third party, and it is not a management system standard. It is strategic and holistic.

#### - Organizational governance

Two fundamental practices are necessary to understanding the responsibility of an organization: We need to:

- ascertain the relevant fields of action beginning with the impact the organisation's operation and decisions have on society and the environment;
- identify the stakeholders affected, and establish dialogue with them with regard to the impacts that concern them.

Company leadership must convey strong behavioural values. It must ensure the implementation of the seven key principles of social responsibility:

- Accountability
- Transparency
- Ethical behaviour
- Respect for stakeholder interests
- Respect for the rule of law (in the destination/host countries)
- Respect for international norms of behaviour
- Respect for human rights

Organizational governance must integrate economic concerns, and respect the criteria it seeks to enforce. Its aim is to guide the actions and decisions of the organization in the six following areas of responsibility:

- Human rights

A duty to remain vigilant, to identify situations where there may be human rights abuses, to prevent situations of complicity, to put right discrimination and harm shown to vulnerable groups, to respect civil, political, economic, social and cultural laws, to respect the fundamental principles of international law and labour laws

- Labour practice

Ensure good social dialogue on employer/employee relations, working conditions, social protection and human capital development

#### - Environment

To reduce the use of energy, to increase energy efficiency, to eradicate pollution through treatment or removal, to reduce the use of raw materials by integrating recycled materials, by proposing products which can be recycled, to include all stakeholders in all these measures

# - Fair operating practices

To fight against corruption, to ensure fair competition, to promote social responsibility in the value chain, to respect property rights

#### - Consumer issues

To draw up contracts and to inform the public through fair and honest marketing. To protect consumer safety and health. To ensure after-sales assistance and the resolution of disputes and complaints. To protect consumer data and privacy.

#### - Community involvement and development

To invest socially, to create wealth, employment and income. To develop education and culture. To become involved in trade unions and in regional planning & development policy-making.

## 2 - CSR, Corporate Social Responsibility

# - Regulations

The concept of CSR existed before the development of the standard ISO 26000. Companies represent only one particular type of organization among all the different types of organization for human activities, and they come with their own particularities as to how this ISO standard is to be applied. The values of social responsibility can be applied to any aspect of the company's "environment" that is affected by its operations:

- Its ecological impact on the planet: raw materials, manufacturing processes, production, products & their use, the ultimate destination & recycling of products;
- Its effect on people on an individual level: employees, shareholders, customers, and consumers;
- Its effect on people who have an affiliation with the company and collective entities: suppliers, subcontractors, banks, insurers, trade unions, State, civil society, local communities, associations, NGOs, etc.

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Proper consideration must be shown for the company's environment in the broadest sense of the term – this includes showing concern for all the stakeholders as well as protecting nature and preserving natural resources. The same can be said for the social dimension which includes showing consideration for those living nearby, for the Common Good relating to the individual, and the public interest relating to mankind as a whole. The types of stakeholder can vary from one company to another – there is no definitive list of stakeholders. Since 2011, the standard ISO 26000 has provided guidelines for the implementation of Sustainable Development. As for any other organization, it does not give rise to certification, but aims at offering guidance for determining the company's scope of application for social responsibility. The deployment of this standard, whose application depends on the will of the company leader, makes it possible to hope for a reduction in unfair competition by generalizing good practice. The standard ISO 26000 has already been adopted by a hundred countries including, recently, China.

On the whole, CSR is well suited to companies. After years of pressure from environmentalists who have tried to impose a purely ecological vision, the implementation of Sustainable Development enables companies to rebalance the three dimensions – man, economy, and respect for the environment. Let us stress that many leaders did not wait until these concepts were formalised to add environmental responsibility to the other two traditional economic and social strands, thus putting CSR into practice without even knowing it.

Let us note that it is easier to feel part of the natural environment when one is a small industrial or artisanal company operating in the heart of a relatively small area than when one is a multinational whose offices are located in a huge urban complex. What does the concept of natural environment mean for companies operating in a megalopolis? What does having a close relationship with the surrounding society mean for multinationals? For multinationals, or simply for companies with multiple establishments, it also means taking account of specific needs, different realities and diverse cultures. We could summarize it by saying it means showing consideration for different areas: the areas where we have set up business, the areas where we extract resources, and the areas where we distribute our products.

The recognising of this responsibility implies respecting regulations. Company leaders must therefore become familiar with them.

On a broader level, CSR as a way of implementing the concept of Sustainable Development leads the leader to revisit the company's mission by re-examining the risks or threats and the opportunities incurred as well as the resulting strengths and weaknesses for the company (SWOT).

# - The commitment of business, industrial & employers' associations

In France, all the employers' associations are showing their commitment to Sustainable Development. With the deployment of the voluntary standard ISO 26000, we can hope for an increase in the competitiveness of companies as well as an improvement in international commercial relations.

Market forces are increasing being influenced by social and environmental factors. When they are integrated into the company's strategy, they can represent a competitive edge and not just legal constraints. CSR is a means of securing company profits in the short, medium and long term.

#### PART FOUR

# Social responsibility and the Christian business leader

Going even further, our Christian faith naturally implies that we question our motives: "In whose name are we doing all this?" For the sense of our actions will depend on the spirit in which we act and, first and foremost, how they affect other men – our brothers. The preferential option for the poor, the universal destination of goods, the uniqueness of the human community, and the principle of subsidiarity unequivocally find their place at the heart of the RSE process. Christian business leaders cannot evade economic realities, but the applying of CSR can and must go far beyond any materialist vision one might have for the implementation of Sustainable Development. A Christian business leader can show even greater commitment, on the basis of his values and according to his conscience. He is indeed free, in his business model, to choose the weight he will place on each of the criteria for the standard ISO 26000.

A human being is born into a family, where he is raised and where he grows. He is instructed at school and, if a Christian, also by the Church. He will then be integrated into a community where, mindful of all he has received from his parents, his teachers, and society, he will consequently have to contribute to the well-being of man and to the Common Good. He will have a duty to be effective and to demonstrate truth, hope and charity. Heads of business are not different from other men, only that Christ reminds us in Luke 12:48: "When someone is given a great deal, a great deal will be demanded of that person; when someone is entrusted with a great deal, of that person even more will be expected."

This injunction is all the more fitting when it is addressed to heads of business. They have the power and the money to shape their company's human capital and to lead projects that will ensure the sustainability of the company. As the apostle Paul (1Co 7:31) advises us, "and those who are involved with the world as though they were people not engrossed in it." An involvement without excessive obsession or idolisation does not exclude an unrestricted commitment: to do one's best, seriously, without pretention.

The document of the Pontifical Council for Justice and Peace "The vocation of business leader - a reflection" clarifies the role of heads of business for the implementation of their social responsibility:

"Business leaders can put aspiration into practice when their vocation is motivated by much more than financial success. When they integrate the gifts of the spiritual life, the virtues and ethical social principles into their life and work, they may overcome the divided life, and receive the grace to foster the integral development of all business stakeholders [...]

When businesses and market economies function properly and focus on serving the common good, they contribute greatly to the material and even the spiritual well-being of society. Recent experience, however, has also demonstrated the harm caused by the failings of businesses and markets. Alongside their benefits, the transformative developments of our era—globalisation, communications technologies, and financialisation—produce problems: inequality, economic dislocation, information overload, financial instability and many other pressures that interfere with serving the common good. Nonetheless, business leaders who are guided by ethical social principles, lived through virtues and illuminated for Christians by the Gospel, can succeed and contribute to the common good.

Obstacles to serving the common good come in many forms—corruption, absence of rule of law, tendencies towards greed, poor stewardship of resources—but the most significant for a business leader

on a personal level is leading a divided life. This split between faith and daily business practice can lead to imbalances and misplaced devotion to worldly success. [...]

We might have more private goods but are lacking significantly in common goods. Business leaders increasingly focus on maximising wealth, employees develop attitudes of entitlement, and consumers demand instant gratification at the lowest possible price. As values have become relative and rights more important than duties, the goal of serving the common good is often lost.

[...] The Church calls upon business leaders to receive—humbly acknowledging what God has done for them—and to give—entering into communion with others to make the world a better place. Practical wisdom informs their approach to business and strengthens business leaders to respond to the world's challenges not with fear or cynicism, but with the virtues of faith, hope, and love. [...to...] serve God."

Through Corporate Social Responsibility, we are at the heart of this process towards the tangible implementation of Sustainable Development.

## ANNEX 1

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