

Business, consumers and sustainable living in an interconnected world: A multilateral ecocentric approach

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Abstract:

Current conceptualizations of environmental responsibility follow a human-centered approach wherein the natural environment is seen as instrumental to human ends. Environmental responsibility, in this context, emerges primarily as the preservation and sustenance of nature in a manner that would limit waste, enhance the aesthetic and spiritual value of nature, and confer psychological and economic rewards upon individuals and businesses that follow a sustainable course of interaction with nature. In contrast, an ecocentric approach to sustainable living is advanced that ensures the dialectic between human systems and natural and technical systems by explicitly recognizing nature as central to survival and progress. Environmental responsibility within this approach is viewed to be multilateral and institutional rather than merely as moral responsibility of business or of governments.

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Business, Consumers and Sustainable Living in an Interconnected World: A Multilateral Ecocentric Approach*

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ABSTRACT. Current conceptualizations of environmental responsibility follow a human-centered approach wherein the natural environment is seen as instrumental to human ends. Environmental responsibility, in this context, emerges primarily as the preservation and sustenance of nature in a manner that would limit waste, enhance the aesthetic and spiritual value of nature, and confer psychological and economic rewards upon individuals and businesses that follow a sustainable course of interaction with nature. In contrast, this paper advances an ecocentric approach to sustainable living that ensures the dialectic between human systems and natural and technical systems by explicitly recognizing nature as central to survival and progress. Environmental responsibility within this approach is viewed to be multilateral and institutional rather than merely as moral responsibility of business or of governments.

Even though theoretical arguments and debates on reconciling economic principles with environmental priorities have been stressed since the 1960s in North America, the notion of a sustainable link between commerce and environment and between economic development and ecological preservation has found prominent focus only in recent times (Barbier, 1987; Costanza et al., 1991; Gladwin et al., 1995; Hawken, 1993; Shiva, 1989; World Commission on Environment and Development, 1987). Recognizing that eco-systems and natural resources are limited, sustainability attempts to place limits on commerce and development, while reorienting the basic worldviews of business and planners towards the future of the environment.1

However, while academic debates on the business-ecology link have progressed along multiple dimensions within macro-economics, management, organizational theory and business ethics, the focus has mostly been on the comparison and assessments of alternative worldviews.

Critiques of current business practices are far and few, and the onus of practical action, whenever placed, falls mainly on those influencing and implementing public policy. Recognizing this shortcoming in the conceptualization of environmental responsibility, especially from a business ethics standpoint, this paper approaches the question of environmental sustainability as multilateral, i.e., involving various stakeholders to the business, including the consumer, as well as governments. Moreover, it is redefined as an institutional problem as well by giving explicit recognition to the design of appropriate societal mechanisms for rule generation and implementation that would be crucial for challenging and changing currently prevalent attitudes and values on nature and the environment. It is to be noted that the thesis advanced here approaches environmental sustainability as a problem, not simply for business and/or governments, but also a crucial domain of responsibility for consumers.

Within consumer behavior and strategy literature, until recently, analytical fervor has been focussed on such topics as consumers' ecological consciousness, concern for the environment, willingness to engage in environmentally-friendly behaviors, and perceived consumer effectiveness (Antil, 1984; Ellen et al., 1991; Kinnear et al., 1974). The normative recommendations are clear: business cannot overlook the importance that consumers today place on environmentally - responsible business products and actions (Thomas, 1992). Ultimately, it is argued that good environmental management makes sound economic sense since a company's better environmental record gains consumer endorsements and thus long-term profits, while attracting better employees and achieving benchmark environmental standards. In summary, it is assumed that environmentally-responsible actions raise entry barriers within industries and thus enable firms with superior environmental reputations to develop distinct advantages over their competitors (Winsemius and Guntram, 1992).

However, it must be recognized that the assumed dependence of profits on environmentally-responsible business behaviors is a one-sided resolution to the multi-faceted problem of reconciling economic efficiency and environmental priorities. Though enhanced profitability and competitive advantage may be compelling reasons for business to adopt sound environmentally-- friendly plans, policies and processes, it is also recognized that voluntary actions in this realm do not emerge unless tied to the profit motive.

Also, a form of incentives-and-control logic emerges that subjects business to increasing government regulations and pressures from industry and consumer groups in the hope that technology or market solutions will align business actions and environmental concerns (Porter and van der Linde, 1995). Theoretically, the debate has interesting ramifications, given issues ranging from free trade versus trade restrictions, erosion of the commons and local self-management, market determination of prices and government regulations - in short, economic rationality and political determination.

Most of these issues and debates on the topic of environmental responsibility can be recast into a more fundamental issue, i.e., who has the primary claim for environmentally-responsible business actions? Prior conceptualizations of environmental as well as social responsibility have focused on the community's claims for the sake of its own well-being as well as the preservation of its natural environment. However, the natural environment was important only so far as the direct links between the environment and community well-being was readily discerned. In recent times, however, an alternative framework has emerged - one that views nature rather than people as central to ecological concerns. This centrality-of-nature thesis or ecocentrism, though gaining in popularity within the areas of environmental ethics, development economics and organization theory, has been criticized by many for its advocacy of voluntary simplicity and small-scale technologies (see Lewis, 1992).

Further, it is also noted that ecocentrism is idealistic, utopic and almost religious in its emphasis on nature-as-central (Lewis, 1992; Pepper, 1989). While some of the criticisms may be unwarranted (see comments by Shrivastava (1996) and Pauchant (1996)), what is lacking is a pragmatic framework for including ecocentric arguments in conceptualizing corporate social and environmental responsibility towards sustainable living.

What is the current stance of business towards the environment? Does it fall short of making the promise of sustainable living and development a reality? If business actions are indeed anthropocentric, focussing inordinately on an instrumental conception of nature, and technocentric, focussing heavily on technology and planning for ecological solutions, can an ecocentric framework of business and ecology help in achieving a balance between business actions and environmental priorities?

The purpose of this paper is to: (1) critique current business ideologies and practices towards the environment, (2) offer an alternative model of multilateral environmental responsibility that includes business, governments, consumers, and socio-political institutions, and (3) outline some critical challenges in ecological preservation that re-phrases the ethical responsibility of, not only business, but also various actors in an institutional network, towards sustainable living. The basic premise undergirding this paper is that unidimensional foci on markets, regulations and/or technology fall short of providing a solution to the multi-dimensional problem of sustainable living.

Eco-philosophical approaches

Varieties of environmental philosophies exist, each claiming emancipatory potential for the better realization of a viable human-ecology link.

There is a consensus among environmental philosophers as well as anyone concerned with environmental "crises" that issues in the ecological debate are not merely matters of participation and survival (and, hence a political movement); rather, they must involve self-reflection and critique of existing values, beliefs, and actions that today constitute cultural systems.

However, most environmental philosophies differ in their centrality afforded to human versus the nonhuman world. This cleavage in philosophical ontology is represented as the anthropocentric, or human-centered, versus the ecocentric, or nature-centered (Eckersley, 1992). A sharp opposition between the two basic approaches is made along their axiology, ontology and epistemology (see Table I). Moreover, the two perspectives differ sharply in their conceptualization of responsibility of business to the natural environment.

Specific causes for concern about the environment include increasing levels of environmental degradation due to varied technological and production processes, pollution of air and water, endangerment and extinction of species critical to human sustenance and aesthetics, population explosion, resource depletion, overharvesting of natural resources, and the general degradation of social environment due to impairments of the physical environment (Bookchin, 1980; Eckersley, 1992; Naess, 1992).

Anthropocentric approaches to ecophilosophy maintain the centrality of human life-systems amidst several ecological pressures. The natural environment is viewed to be instrumental in sustaining human life forms. However, nature is important only so far as it affects human living systems. Given this instrumental conception of nature to human ends, anthropocentric approaches are mainly concerned with the preservation of nature-as-a-resource (Eckersley, 1992). Efficient resource use and conservation of natural resources are deemed obvious for their effects on maintaining current standards of human life. Appropriate economic and political intervention strategies are then devised for resource management, human welfare ecology, and wildlife and wilderness preservation.

In contrast, ecocentric approaches admit the importance of all living forms and oppose the use value accorded to nature in other ecological perspectives (Eckersley, 1992). The basic premise driving the ecocentric philosophy is that the value of the nonhuman world is independent of its utility to the human world; the nonhuman world is valuable for its own sake (Naess, 1992).

Arguing that humanly devised interventions for human instrumental intentions would inevitably fail, ecocentrism advances the notion of a symbiosis between human and non-human life forms (Naess, 1992). This approach is reflective of the metaphysical and spiritual notions prevalent in traditional societies. Drawing upon Eckersley (1992), Shrivastava (1992, p. 10) clarifies ecocentrism's ontology as ". . . characterized by three principles of internal relations, intrinsic value, and ecological self." Seriatim, "these principles mean (a) that at each level of existence, things are internally related and constituted in a web of relationships; (b) that each thing has intrinsic value for its own sake; and (c) that subjectivity (self) and consciousness are ecologically constituted in interactions between organisms and their natural environments" (Shrivastava 1996, p. 10).

But, both defenders and critics of ecocentrism are aware that the emphasis on radical changes to current economic, political, technological, and ideological structures lends ecocentrism a "Marxist" as well as metaphysical orientation. Strains of the "far left" as well as Eastern philosophical/theological influences can be witnessed in ecocentric positions. The lack of readily apparent ideologies or logic has led some critics of ecocentrism to dismiss it as "nebulous" or having "shaky foundations" (Lewis, 1992).

However, it must be pointed out that once the premises of ecocentrism are clearly tied to real exigencies and its ontological stance made more apparent, this perspective can yield useful insights on the question of environmental responsibility.

With this agenda in mind, some drawbacks and logical fallacies in current conceptualizations of environmental responsibility are identified in the next section. Specifically, the arguments presented here pertain to "green marketing" and its cooptation by big business.

Current green marketing practices

Environmental research and ecological thought in marketing and social marketing has leaned toward the anthropocentric ecophilosophical position outlined above, with the consumer as the central human figure who endorses (votes favorably) or rejects (boycotts) firms or criticizes them for failing to maintain a balance with the environment (Gill et al., 1986). Some recent corporate successes are today attributed to environmental responsibility in the marketplace and "green" business and marketing practices are becoming increasingly popular in several industries. Common examples include the use of "recycled" and "recyclable" materials, pollution control devices, process controls to minimize resource waste, use of "bio-degradable" materials, natural ingredients, and production of "cruelty-- free" products, to name a few (Irvine, 1989).

These corporate actions are designed to assuage the environmental concerns of customers while at the same time ensuring corporate profit objectives.

[Table]

Caption: TABLE I

The reality of business actions, consumer behavior, institutional endorsements, and government regulation is at best a system of control and conflict in an otherwise free market economy. Corporate environmental responsibility, it is often argued, while sometimes mandated by laws and regulations, is good commercial sense since it placates the environmental concerns of consumers and thereby contributes to increased sales and profits. However, some control problems are apparent when environmental concerns cannot be directly observed by the market or by relevant consumer and

other interest groups. For example, inefficient production processes, over-generation of waste, environmentally inappropriate technology, and planned obsolescence, while detrimental to the environment, cannot be effectively observed by markets alone.

In these instances, the credibility of corporate communications as well as its past environmental record and reputation are the only yardstick for evaluation of whether corporate actions are congenial to the environment. But the problems of "fudging" claims and of "free-riding" on reputation do exist. Ultimately, the only guarantee that corporations behave in an environmentally-sound manner with regard to their unobservable internal processes is their own ethical responsibility. Given the fact that perceptions of ethical behaviors vary widely, it is clear that behavior that is unobservable is also one that is externally uncontrollable. Thus, when practices cannot be evaluated, corporate environmental responsibility rests solely on moral principles.

Current conceptions of "green marketing" and corporate environmental responsibility can be criticized on both philosophical and practical levels as elaborated below.

Unsustainability of the "sustainability" argument

The basic premise underlying current perspectives on corporate environmental responsibility and environmental issues in social marketing is the notion that economic growth is possible at limits that are ecologically sustainable. Arguing that planetary ecological resources are finite, proponents of sustainable development assert that patterns and approaches to economic growth and development as well as their evaluation that were earlier used must now be discarded. Instead, newer economic ends that are less resource intensive must be adopted. Building on the Brundtland Commission Report of the WECD, Goodland et al. (1991) argue:

"The new approach requires a concerted effort at remolding consumer's preferences, and steering wants in the direction of environmentally benign activities, while simultaneously reducing throughput per unit of final product, including services" (p. 10).

The focus of sustainable development efforts are on four elements that have possible adverse linkages on the environment - poverty, technology, population, and lifestyles (Goodland et al., 1991). It is hoped that elimination of poverty, appropriateness of technology, control of population and modified lifestyles would enable development at sustainable levels.

The response of business to this type of sustainability has been to recast the problem of environment into one that makes for "sustainable" business sense! One prominent adherent of this viewpoint, Stephan Schmidheiny (1992), argues for sustainability on the grounds that it is "plain old good business." Despite the inherent contradictions in "environmental sustainability" and "economic development", the two appear to readily merge in business policy, wherein good corporate environmentalism provides for enhanced competitive advantage and increasing profitability, and thus, contributes to development. Emphasis is placed on enhancing "co-efficiency", i.e., the maximization of value-addition with the least use of resources and least pollution (Schmidheiny, 1992).

Sustainable business logic of the above kind merely reformulates the concept of traditional efficiency to include adverse environmental effects. It is not clear how any form of environmental "inefficiency" would act as a disincentive for business. Moreover, are not the very logic of value addition and profitability incompatible with any logic of environmental preservation, however defined and measured? Given the inherent tradeoffs between economic reasoning and environmental constraints, how much of say, pollution, should the environment sustain in return for low-cost, mass produced goods? It could be argued that even admitting the existence of an environment-economic trade-off stems from a distorted and potentially dangerous logic that assumes that certain aspects of the environment can indeed be sacrificed for economic ends.

Arguing that cost-benefit analysis serves to bulldoze values that cannot be commensurated with others, The Ecologist (1992, p. 177) observed: "Environmental cost-benefit analysis, no matter how high a value it assigns to "the environment", is often in itself a threat to both democracy and to the commons."

In the ultimate analysis, environmental sustainability for business is not a measure of sustainability of the environment, but the sustainability of business given environmental pressures (see also Kothari, 1990).

Pricing of environmentally-friendly products and resource use

Environmental economists raise the argument that appropriate pricing of business activities related to the environment would place higher "costs" on activities that damage the environment while enhancing the "benefits" of environmentally-friendly activities. It is held that market incentives for environmentally-benign activities, as well as government penalties for negative externalities would ultimately ensure that firms engage in environmentally-friendly activities so to avoid loss of reputation and fiscal penalties.

Consider the following scenario. A firm faces a choice between two technologies - say, t^1 and t^2 - that are similar in capital costs but involve different levels of operating costs and environmental degradation through adoption and use. Assume that t^2 is the technology with the lower operating cost, but with higher environmental degradation capability. Given known values of governmental penalties for clean-up etc., the firm may still find it advantageous to adopt t^2 .

However, if the market can bear a higher price for environmentally friendly products, the firm would adopt t^1 . This market for higher cost goods can safely be assumed to be smaller, which implies that the profits from adopting t^1 would be attractive to business only when the penalties for using t^2 sufficiently erode the higher profits from using t^2 .

The plausibility of the above scenario is marred by two clear contradictions. First, while it is agreed that market mechanisms alone may not be able to ensure corporate environmental responsibility, state intervention and regulation would not only place higher cost burdens on society, but may place government and industry on a collision course. Thus, economic choices would be constrained by political ones, though political power in many instances (as in most countries) is enshrined in conferring economic rights. Second, innovations in new technologies that are economically cheaper would be delayed until a time when the majority of the market demands environmentally-friendly products. In the interim period, however, it may be possible that the choice between two classes of products offered in the same market - one at a lower cost, and the other environmentally-friendly, but at a higher cost - may run the risk of encountering a form of Gresham's Law wherein the cheaper, "bad" quality product would drive the environmentally-friendly product out of the market or, at best, confer upon it a marginal status.

"Greening" consumption

"Green consumerism" is a term that denotes environmentally responsible shopping and consumption by consumers. The thrust of the green consumer movement is the rejection by consumers of goods that reflect environmental insensitivity in either their production or their form. While stemming from free-market ideals, green consumerism is also a political movement that calls for boycott of companies and products that are harmful either to the environment or to specific species. Examples abound, ranging from boycotts of tuna companies that are cruel to dolphins to cosmetics that are tested on animals to grocery bags that are made of plastic and hence, not easily degradable. Also, protests against companies, such as Burger King Corporation, Exxon, McDonald's Restaurants, and Scott Paper Company, to name but a few, have been made in the past for their environmental or species-- unfriendly activities (Garrett, 1987).

While the intent of green consumerism is laudatory, its naive intuitive appeal conceals many fallacies. First, it assumes that consumers have the wherewithal to consume environmentally "cleaner", "better", and "safer" products (Irvine, 1989). A form of "bid" market emerges wherein the best environmental products are also the highest priced, thereby precluding any mass market consumption of such products. Second, green consumerism is a call to change the personal lifestyles of individual consumers by providing them with an additional preference category in their choice of products - namely, the environment. No attempt, however, is made to influence consumers to consume less, i.e. at environmentally sustainable limits (Irvine, 1989).

Indeed, voluntary simplicity is often decried and thought of as a "return to nature" (Lewis, 1992).

Third, while even neo-classical economists have admitted the problems of information asymmetry between producers and consumers, the central thrust of green consumerism remains the mistaken notion that consumers can, with suitable expenditures of effort and cost, obtain all the relevant information necessary to make informed environmental choices. Even a cursory evaluation of the green market may reveal that most consumers are uninformed as to the differences between "recycled" and "recyclable" and "reused" and in most cases, are unaware of the regulations that allow business to place such labels on their products (see also, Plant and Plant, 1991). Moreover, the focus of green consumerism is primarily on the final product itself and on the overall image of a company, rather than on the resources used by a business, the production and conversion processes, and the net impacts on environmental degradation.

Absent a multi-dimensional focus on the environmental responsibility of business as well as constraints imposed by a market logic, green consumerism is now incorporated as a marketing strategy tool by "proactive" companies. These companies attempt to signal their "environmentally-friendly" products and activities to consumers through image and partial-information advertising. As Plant (1991) notes: ". . . much of what is commonly viewed to be green business is a hoax. The biodegradable plastic bags are not biodegradable. The recycled paper is likely only marginally recycled" (p. 3). Providing excellent illustrations as to why big business would favor recycling, Fairlie (1992) observed:

"It is to perpetuate the ethos of disposability that large corporations have embraced the recycling scenario with such enthusiasm. It does not matter to industry whether its raw materials are mined from the earth, stripped from forests or regurgitated at considerable expense from the waste stream. As long as there is a continual and ever-- expanding throughput, the consumer is consuming and business is healthy. Recycling offers business an environmental excuse for instant obsolescence and consumers an environmental excuse for increasing their consumption of it" (p. 280).

From the perspective of a long-term solution to the problems of environmental degradation and ecological imbalance, green consumerism is merely a cultural "band-aid" that provides instant gratification with the lowest personal guilt for consumers. For corporations, it provides a new premium pricing strategy with corporate growth restricted not by the environment, but only by lack of sufficient corporate vision or failure to manage/manipulate public opinion.

Use of public relations

If past environmental record and activities directly contribute to overall corporate reputation, it is merely a logical extension to suggest that business would seek to protect their environmental reputation, if not consciously strive to enhance it through effective public relations (PR) campaigns. Indeed, if nothing else, increasing levels of environmental consciousness has contributed to the rise and spread of PR as an effective tool and the mushrooming of professional PR agencies that can work for any party or issue willing to pay (Stauber and Rampton, 1995).

Corporations put PR to effective use, not only to publicize their environmental records and

environmentally-friendly products and processes, but also to effectively negate criticisms of corporate actions by public groups and independent media. The usual PR techniques of political lobbying, "synthetic" grassroots organizing, feeding "news" to the media and coordination of publicity blitzes are used to create and exploit divisions within the environmental movement (Stauber and Rampton, 1995). In the context of the pulp and paper industry, Kersi (1995) noted that the industry set up public relations operations in all major markets to "engineer consent" and "monitor" industry critics so as to ultimately weaken their ties to various public groups.

Ultimately, the focus on corporate environmental reputation as a source of competitive advantage, market access and enhanced profits, as argued in today's management literature, also has the negative impact of moving the environmental battle into the realm of ideas (be they true or fabricated) and prolonged debates, and away from the actual context of concrete environmental action. Even though many debates are now brought out into the open, thus contributing to a heightened public consciousness on environmental issues, the unequal access to wealth and power between corporations and concerned citizens challenges the basic assumptions of the "market" and reputation models of corporate environmental responsibility. On an ethical plane, the use of PR by corporations instead of concerted and responsible environmental actions brings to fore the incommensurability between profit-oriented actions and ecological efforts.

"Structural window-dressing" is often substituted for corporate conscience and environmental selfregulation (Guerette, 1986).

The linear vision

Much of the criticism presented in the preceding section is aimed at the dominant "linear vision" of how markets operate and how consumers signal their environmental preferences akin to voting behavior.³ In this vision, firms act primarily as agents of resource conversion and use natural and other inputs to provide technological solutions to meet consumer needs.

Environmentally-conscious consumers attempt to close the "loop" through recycling efforts and environmentally-conscious firms often reuse material back into the resource conversion process (see Figure 1). The direct role of governments with respect to the natural environment is one of preservation. However, governments also monitor the resource conversion process of business through environmental regulations and educate, if not mandate, consumers on resource recycling through public action programs and civic laws.

As was shown earlier, the above linear market and technology-based vision of economic sustainability is fundamentally flawed at the level of its basic assumptions. These assumptions are:

(i) Consumers are the driving force in a model of environmental resource use and consumption, favoring products and endorsing business policies that contribute to efficient and sustainable use of ecosystem resources.

[Chart]

Caption: Figure 1.

(ii) Business would react to consumer demands of environmentally-friendly products and practices since ultimately their reputation, profits and long-term survival are based on competitive advantages in meeting such demands.

(iii) Governments can actively intervene, through regulation and other measures, to ensure that business adopts sustainable resource use practices and develops innovative environmentally-friendly products and processes.

The above model places undue emphasis on the unilateral and consensual roles of consumers, business and governments in ensuring sustainable living. Indeed, at the level of the local community, the model may work reasonably well.

Concerned citizens could appeal to local business and local governments for environmentally--friendly actions and legislation and could vote "bad" business out of the market. However, projected beyond the level of the local community, it is debatable whether consumers would emerge as concerned citizens. Consumer free-riding on environmental issues, lack of knowledge and awareness as well as a form of "life-boat ethic" envisaged by Garrett Hardin, may well restrict community interests from going beyond the local area. The popular environmental phrase "Not In My Backyard" could be construed not only as an active interest in environmental preservation within the community, but also as a lack of concern for business activities beyond the sphere of the local community.

The impact of linear vision at the level of business recasts the problem of environmental ethics into one of incremental environmental responsibility. Four models of business goals and responsibilities can be traced circumscribing the locus of business ethics (a) within the business, (b) in the business-consumer link, (c) within the community, and (d) within the ecosystem of the community (see Table II). The last level or stage in the evolution of the ethical sphere of business includes environmental issues, with nature emerging as a stakeholder in business interests.

The shift in ethical concerns beyond the business and consumer to the very core of production, operational, and policy levels of the business can be viewed to be a fundamental shift in ensuring that business actions are ecologically sustainable (Shrivastava, 1995; Schmidheiny, 1992). At the level of business actions and responsibilities, such "ecocentric" and "sustainable" views of business seemingly provide a solution to the incommensurability between economics and ecology; however, the relevant assumptions and premises on consumers and governments remain the same as noted above.

[Table]

Caption: TABLE II

TNCs and environmental ethics

Textbook approaches to transnational corporations (TNCs) emphasize corporate efficiency through efficient sourcing for resources, economies of scale in production and distribution and the use of efficient internal markets in place of transactions costs-ridden external markets. Further, eclectic models suggest resource use and conversion processes so as to capture distinct locational advantages. These principles of economic efficiency are enshrined in currently popular models and mandates of globalization.

The spread of markets and technology through globalization portend additional serious challenges to the economy-ecology link. These are treated seriatim below.

Free trade on resources

With declining tariffs and other non-tariff encumbrances to international trade and business, TNCs can fulfill their economic objectives of resource sourcing, production rationalization and internal market transfers more efficiently. Thus, goods manufactured at one location usually obtain materials from various others and are finally sold to yet other markets. The breakdown of business units into autonomous spheres of activity implies that consumer markets are usually unaware of the origins and conditions under which materials were sourced and goods were produced. While some proactive companies have drawn up clear ethical guidelines in the use of human resources, corollary principles in the use of natural and physical resources are yet to emerge.

International competitiveness

The vision of the world as a huge potential market is often used to spur the international competitiveness of domestic corporations. Focus on international competitiveness allows the disjunction of corporate codes of conduct within the domestic community as compared to international markets. A different set of criteria is often used, and what may be "bad" at the community-level is often "good" for international competitiveness. In international business operations, ethics are clearly separated from legal aspects and what may be viewed to be unethical at home may go unchallenged in international markets, primarily since foreign laws may allow that particular action. One example of this split between ethical conduct and minimum legal responsibility is the export of dangerous products banned in the United States (Herald-Leader, 1991). Another is the contentious perspective of viewing the Bhopal tragedy not as an ethical responsibility but merely as one of legal accountability and responsibility (Skorpen, 1991).⁴

Competitive justifications fine tune any distinction between law and ethics and permit domestic corporations to side-step environmental issues in international markets. "Life boat ethics" accentuate domestic economic benefits despite global environmental damage. So long as it is good for the domestic economy and so long as there are no laws prohibiting the production and sale of products dangerous to the ecosystem in international markets, should anyone care?

Third world development

With many years of academic lip-service, the ubiquitous UNCTAD and foreign aid policies, the first world is increasingly concerned on issues relating to third world development. Part of the concern is genuine; however, for the most part, globalization cannot proceed unless many countries are convinced of the need to implement market systems and participate in the world economy. Third world under-development issues are one clear manifestation of the need to liberalize economy, encourage foreign investment and meet infrastructural and educational needs for the development of resource markets - all factors congenial to the expansion of global capital. The Western model of growth and development, one that has already contributed to global environmental degradation, is now unabashedly sold to the Third World as the sole rational approach to achieve economic growth, development and enhanced standards of living.

In this context, "sustainability," as used by the World Commission on Environment and Development (Brundtland Report) is an attempt to eliminate fundamental differences in environment and development through promoting the argument that it is possible to achieve economic growth and development while safeguarding the environment for the future (Visvanathan, 1991).⁵

In fact, the World Development Report (1992) attempts to take off on this theme of environmentally-sustainable development by arguing that there is no conflict between sound environmental policy and development objectives, and that environmental problems are the direct result of the inequality between the wealthy and influential as compared with the masses in the developing world. The fundamental incommensurability between economics and the environment is sought to be tackled through market and technology solutions, thus paving the way for enhanced economic activity with piece-meal environmental solutions.

A multilateral ecocentric approach

In contrast to the Cartesian duality between natural and human systems in the anthropocentric approaches, the ecocentric worldview holds that nature cannot be isolated from human or technical systems and that any reductionist scheme not only provides a distorted view of ecological realities, but also furthers environmental degradation in its attempts to provide piece-meal solutions to environmental problems (Shiva, 1989). However, ecocentrism provides only a broad vision and does not, in its current form, detail environmental responsibilities for actors and institutions. In order to

unravel the dynamics of nature's relations with human and technical systems, it is necessary to envisage a modified version of the ecocentric approach. In one such revision (see Figure 2), the radical form of the ecocentric theses now gets diluted to a perspective that holds nature central only in that it enters non-instrumentally into the calculus of consumers, organizations, institutions and governments. The position of each with nature is different, with consumers stressing preservation of nature, business emphasizing conservation, socio-political institutions promoting harmonious relations with nature, and governments according equity to nature in policy decisions.

[Chart]

Caption: Figure 2.

In this "ecocentric" system, various environmental responsibilities emerge through dialectics in the inter-relations among consumers, organizations, institutions and governments. Though, in the transition from traditional to a modernized and mechanized society, the ideals of economic growth, development, progress, freedom of choice, and environmental sustainability, have served reasonably well in the past, the dialectic between the various actors and institutions involved would expose their true long-term environmental limits (Bandyopadhyay and Shiva, 1989). The crux of the ecocentric system is renewal of the essential inter-relations between human systems and nature. In the consumer sector, it lauds self-reliance. However, it does not decry the consumption of most technologically-- produced and market-distributed goods (Lewis, 1992). In the organizational sector, it views the linkages between business and nature as one of conservation rather than exploitation. For governments, the major issue is not one of simply "protecting" the environment but ensuring equity in the distribution of economic and political privileges and access to nature in order to maintain a balance between human systems and biospheric processes (Shiva, 1989). In the institutional sector, the ecocentric perspective reiterates the basic principles of harmonious co-existence with nature, not for utilitarian or aesthetic purposes, but for a belief that human systems mirror natural systems.

Various ecocentric responsibilities of consumers, organizations, governments, and institutions are outlined in Table III. Consumer attitudes towards nature as a tool in the satisfaction of personal interests must be rejected in favor of an approach that explores numerous practical relationships with nature that are mutually supporting and collectively reinforcing (Pagden 1992). In this respect, consumer self-reliance, self-production, decreased levels of consumption, and quest for durability and reuse of products are essential responsibilities toward ensuring the preservation of nature and seeking a rejuvenating balance with nature.

[Table]

Caption: TABLE III

Business needs to undertake the onerous, though feasible, responsibility of incorporating practices that conserve nature rather than exploit it. A beginning could be made by making decreases in actual resource use and resource-- conserving throughput processes, rather than merely seeking efficient utilization of resources.

Additionally, diversity in the market for product variety can be ensured through attention to economies of scope. Moreover, innovative technological and marketing systems could be utilized for reusing consumer waste, emphasizing repair and reuse, and rebuilding. Research and development emphasis should focus not on the market, but on technological advances that have the potential for restricting irreversible chemical and mechanical processes and possibly reversing some of the extant "irreversible" processes.

Governmental standards should ensure distributive justice and also safeguard the biosphere, with interventions designed not merely to restrict environmental degradation, but to induce proactive industry policies of biospheric maintenance as well. Local and community ecological needs must be emphasized over global or world trade needs, since the latter enables the powerful to disguise local

ecological degradation as "a global problem" and shift the blame onto communities that have no global reach (Shiva, 1992).

Socio-political institutions have the responsibility to emphasize satisfaction of the basic needs of all rather than the satisfaction of the artificial needs of a few. Values that respect nature, project a reflexive rather than utilitarian attitude toward nature, promote durability rather than convenience in consumption, emphasize demand control rather than squanderancy, and reward forbearance over instant gratification, need to be emphasized. Existing conceptualizations of poverty, progress, and development have to be overhauled in favor of approaches that do not view lack of participation in the market processes as poverty, and denial of "modern" technology as underdevelopment (Bandyopadhyay and Shiva, 1989).

Admitted, the proposed framework may appear to be idealistic and calls for radical changes that may not be forthcoming in the next several years. Indeed, radical changes to consumptions and lifestyles may be decried as a "return to the primitive," and the necessary ideas for the creation and nurture of appropriate transformational institutions may simply never emerge.

However, the debate between business, sociocultural lifestyles, and government regulations has already seen some winners at the community level, both in the U.S. and abroad. Here, some communities have actively sought every means at their disposal to resist suspect big business practices and preserve local eco-system health. One can only hope that such simpler community activism - however self-interested, unilateral and removed from the ideals of ecocentrism - would someday, through self-reflection and change, evolve into a broader impetus that includes several actors and institutions and set the foundations for a new form of thinking, perceiving, acting and reacting to the world we live in.

Conclusion: A new consumer?

Most of the above arguments are intricately tied with the notion of decreasing current consumption levels to levels that can be sustained by the biosphere. Existing conceptualizations of environmental responsibility are inconsistent with such logic. Indeed, for the perspective to be more ecocentric rather than a form of disguised "anthropocentrism," there must be a "Galilean inversion" that displaces the consumer and accords nature with preferential central status.

Only in such a transformation of the consumption logic, can there be movement from an egocentric and anthropocentric ethic to an ecocentric ethic (Purser et al., 1995). However, for such a radical change to occur, the true questions asked are not, to paraphrase Des Jardins (1993) and Purser et al. (1995), "What should I do?" but rather "What type of person should I be?" The solutions are decidedly political and rooted in a different model of the consumer as contrasted to the prevalent rational economic model of the consumer.

It is not trite to suggest that a reconciliation of economics and the environment lies in the realm of politics (Des Jardins, 1993; Poff, 1994; Sagoff, 1983). Current arguments towards sustainability in business practices project an unrealistic model of the consumer, one who is willing to pay higher for environmental benefits in assuring that business actions and outcomes are environmentally-friendly. However, as was argued earlier, little attention is given to the fact that very few consumers exercise their market votes in this fashion; for a vast majority, economic ends and standards of living may be more paramount concerns. Moreover, such market solutions, by accounting only for preferences of autonomous and individual consumers would ignore more pertinent questions on the interests of the community as a whole and contribute only to an instrumental vision of public policy as regards the environment (see Des Jardins, 1993; Sagoff, 1983). In terms of global free trade, relevant environmental choices based on communities of nation-state citizens would inevitably be sidestepped in favor of choices that are governed by the dictates of the global consumer.

In the context of consumption, it makes little sense to simply argue for increased environmental consciousness on the part of business and government since environmental issues are more related to community interests, while consumption choices are made on the basis of individual self-interests. A new kind of consumer is needed - one who is adept at playing the role of a concerned citizen-consumer despite the inherent contradictions between community interests and consumer interests (Sagoff, 1983). How can such a citizen-consumer emerge?

Recent thought in political theory may couch one answer. Aligned with political scientists, such as Lindblom and March, and with cultural anthropologists, such as Douglas, Aaron Wildavsky argued for greater attention to preference formation processes by political scientists (Wildavsky, 1987). In "market-models," either of consumption or of politics, preferences remain outside the realm of organized social life.

However, as Wildavsky and others have cogently argued, preferences are formed from within institutional arrangements and are culturally evolved through social interactions. Indeed, "when individuals make important decisions, . . . choices are simultaneously choices of culture - shared values legitimating different patterns of social practices" (Wildavsky, 1987, p. 5).

The current rational economic consumer is as much a product of current cultural contexts as she/he is an individual exercising her/his selfinterest in the market place of products, politics and environmental decision-making. The question is not whether self-interest can be displaced by some other mechanism of decisionmaking, but one of shaping self-interests so that these are aligned with objective criteria for ecosystem health. The crux of the matter is the transformation of relevant political and cultural institutions such that these project harmony with ecosystems and the values they instill in individuals are those that are compatible with environmental ideals.

This vision is quite radical and calls for deep-- rooted changes in the ways we think and evaluate important choices. And, it is an uphill task since the current trend is to stress rational decisionmaking in varied autonomous spheres of life beyond the market place and negate identity and the nation-state on grounds that these are uncongenial to the global spread of development and an enhanced quality-of-life. However, if such institutional changes do occur, it may be that voluntary simplicity (Gandhi) and small business (Schumacher) may emerge as not so irrational ideals and consumer decision-making viewed as rational only when current levels of consumption are sustainable in the future. The vision is available, the means are present, but the will to change is also a necessary prerequisite.

[Footnote]

Notes

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* A previous version of this article was awarded the 1997 Abraham J. Briloff Prize for the Best Paper in Business Ethics at Baruch College of the City University of New York, where the author was Assistant Professor of Marketing and International Business. ¹ For a recent review of the tenets of sustainable development as well as those of worldviews alternatively held as "technocentrism," "ecocentrism" and

[Footnote]

"sustaincentrism," see Gladwin, Kennelly and Krause (1995). ² The firm would be ambivalent in its choice of technology, *ceteris paribus*, when

[Footnote]

$R^t - C^t - p = R^{t^2} - C^{t^2}$

[Footnote]

where R, C, and p stand for revenues, costs, and penalties, respectively and the subscripts refer to the technologies t, and t². ³ See Purser, Park and Montouri (1995), for a brief historical overview of the linear perspective. The elaboration and critique offered here differs from Purser et al., though both acknowledge that ecocentrism avoids the pitfalls of a "linear" perspective to ecological problems. ⁴ Another example from outside the immediate realm of environmental concerns is the contentious issue of tobacco marketing. While several aspects relating to the sale and advertising of tobacco products may be illegal and/or ethically unacceptable in the U.S., free-market competition and international market development criteria clearly override any moral considerations in the sale and advertising of such products abroad (Frankel, 1996; Iyer, 1998). ⁵ Visvanathan's eloquent criticism of the Brundtland Report can be quoted at some length here: "Sustainability is about care and concern; it speaks the ethics of self-restraint. It exudes the warmth of the locality, of the Earth as home. Development is a genocidal act of control. It represents a contract between two major agents, between the modern nation-state and the modern Western science. The first is the privileged form of politics, the second claims to be the universal form of knowledge . . . Development is a compact between nation-state and modern Western science to reduce all forms of difference - all ethnic forms, all ethnic knowledges -

to create a flatland called modernity. Within such a Hobbesian world, dams displace people, forest bills turn ecocidal, and nuclear energy becomes the reason for the state. . . Every act of protest is heresy. What legitimates this violence is the doctrine of progress, which imposes a linearity to this world and justifies any violence done by modernizing elites on allegedly backward sectors." (1991, pp. 378-9).

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