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BOOK REVIEW 27 March 2018

Real colour of money: business wants profit and green cred

A strange alliance of corporates and environmental groups thinks profits and green credentials can be aligned. But there's some angry pushback



Saving the planet Dubai-style with real snow and a ski run

Robert Wallis / Panos

By **Fred Pearce**

GREENWASH is everywhere. In 2018, almost anything, it seems, can be painted “sustainable”.

Take snow-covered ski slopes in the deserts of the Persian Gulf. You might think they were a hard sell as a contribution to the greening of the planet. Just ask Ibrahim Al-Zu’bi, head of sustainability at Dubai-based shopping mall and leisure company

Majid Al Futtaim, who delivered the keynote address at a conference on green development goals in Spain last month. He had to argue that the masterminds behind a ski run and 22,500 square-metre area of real snow, built in a country with one of the largest per-capita carbon footprints in the world, were helping to save the planet.

To be fair, Al-Zu'bi assured students at the conference, organised by IESE Business School in Barcelona, that the company intends to make its activities “net positive for carbon and water” by 2040. Even so, those slopes might not be such a good example of the conference’s theme: that the juggernauts of 21st-century global business are part of the environmental solution.



For sure, corporations need to be encouraged to go green – and the less green they are the greater the need to encourage them. But this looks like a case of the tail wagging the dog. It certainly is at one with Peter Dauvergne’s caustic and highly readable critique of ethical corporate behaviour in *Will Big Business Destroy our Planet?*

“We have no choice, reasons Dauvergne, but to challenge the paradigm of unending growth”

A professor of international relations at the University of British Columbia, Canada, Dauvergne concedes there is a case to be made for ethical business, in that it is less bad than unethical business. Yes, some of these titans of commerce are improving the efficiency with which they use and recycle resources; yes, they sometimes take the lead on renewable energy where politicians refuse to tread; and, yes, sometimes they even show some awareness of the social fallout of their activities.

But that still doesn’t make them part of the solution. Too often they are “wasting less to produce more”, he writes, finding efficiency savings “to invest in more factories and stores, and to sell more product”. We have no choice, he reasons, but to challenge the paradigm of unending growth.

Even genuinely green-minded consumer giants like Unilever are slave to it. Although the company promises that this decade it will have helped a billion people improve their health and well-being, while halving the environmental impact of its products, it also promises to double turnover while doing so.

Dauvergne’s book is especially strong on how corporations are taking over debates on the environment and sustainability, writing the rules and bending the targets to suit their commercial aims. Their grand plan, he says, is to create “a regulatory setting amenable to maximising production, profits and sales”.

Thus targets for delivering clean drinking water are turned into targets for laying pipes and sinking wells. A global demand to end deforestation morphs into a target for ending “net deforestation” – code for “you can keep chopping as long as you plant, too”. No need to guess who will do both the chopping and the planting, profiting all the way.

Likewise, corporate pressure has helped ensure that big carbon dioxide emitters such as the aviation industry can keep polluting, so long as they offset those emissions by

planting trees to soak up CO₂.

Viewed this way, green certification systems such as the forest and marine stewardship councils turn into something altogether different. They become a method of grabbing competitive advantage, not least by squeezing out small suppliers who simply can't afford to pay consultants' fees to demonstrate their green credentials.

Many environmental groups have been persuaded to buy into a vision of big business policing itself through such bodies. They now seek out partnerships with corporations, rather than challenging their wealth, power and greenwash. The World Wildlife Fund and Unilever were behind both the forest and marine stewardship councils.

UN agencies are also taking the corporate shilling. The Barcelona conference heard from Marcos Neto, director of the UN's Istanbul International Center for Private Sector in Development: "There is a lot of money to be made by the Sustainable Development Goals [SDGs]," he told his student audience. "This is about making profits. Profits are good. It's not about charity."

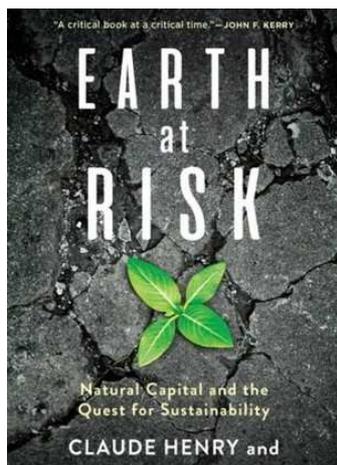
It sounded callous, but he was right in the sense that, "we need the private sector. It is the engine of the world. If we don't have business, we don't have SDGs. Get used to it." If you want to change the world, he advised students, "don't come and work for the UN. Go to [investment managers] BlackRock".

The meeting was studded with corporations telling stories of how well profit-making could be aligned with their preferred environmental targets. The world's largest brewer AB InBev (think Stella, Corona and the American version of Budweiser) boasted of having halved the water needed to brew a litre of beer, while glossing over the far bigger water footprint in the fields of barley feeding the fermentation tanks.

Power and money

Pepsi proudly outlined how 27 per cent of its turnover is now in "nutritious" food and beverages that are helping meet the SDGs. "In sub-Saharan Africa, we provide nutritious food to undernourished people," said a spokesperson. That left the rather uncomfortable impression that 73 per cent of its products, sold in Africa and elsewhere, are not nutritious.

The great thing about Dauvergne's 120-page polemic is that it recognises where the power and money are in the world today. The turnover of corporate giants now dwarfs that of many national governments, he notes. "Of the world's top 100 revenue generators in 2015, 69 were companies and 31 were states."



It is a breath of fresh air compared with the earnest and well-informed but ultimately ill-conceived *Earth at Risk*, by Claude Henry and Laurence Tubiana. From their vantage point in the world of sustainability think tanks, they show how the abstruse idea of sustainable development rose up the political agenda, culminating in the Paris climate change agreement and the UN SDGs, both signed off in 2015.

It is a story worth telling. But the elephant in the room – big business and the consumption it feeds – is barely mentioned. A section on "unlocking private finance" to find "the new

LAURENCE TUBIANA

financial ecosystem needed to deploy the SDGs and sound climate policies” gets less than two pages.

Dauvergne picks up where Henry and Tubiana leave off. Ultimately, he does not say who is to blame, whether it is big business or us, the consumers. But he skewers the idea that big business is an innocent player simply doing consumers’ bidding. And his conclusion is surely right that “unless states and civil societies do far more to rein in the rising power of big business over world politics and consumer cultures,” then our planet will soon become a much less green, fertile and hospitable place.

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Ethical big business is pitching to have it all ways. The guys with all the money want to buy that most elusive thing, a sense of virtue. As Al-Zu’bi put it, without a hint of irony, the greatest thing he could do for his bosses in Dubai was to “make them feel good”.

Maybe that is how we save the world in the 21st century. But when the money in the global economy slushes around in milliseconds according to algorithms of profitability, and when the vast “remuneration packages” of corporate CEOs are dependent on quarterly returns, it is hard to see where big business gets the traction for genuine change.

Will Big Business Destroy our Planet?

Peter Dauvergne

Polity Books

Earth at Risk: Natural capital and the quest for sustainability

Claude Henry and Laurence Tubiana

Columbia University Press

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