



REDEFINING THE ROLE OF BUSINESS FOR SUSTAINABLE DEVELOPMENT

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ABSTRACT

The world is facing enormous challenges today from poverty to climate change. Business plays a critical role in the sustainable development of any economy. Business is a growing problem as well as a definite solution for achieving ecological sustainability. Business houses are the engines for economic development. They need to be more proactive concerning the issues of resource utilization while keeping in mind the balance between economic growth, environmental protection and corporate social responsibility. Sustainable Development is a corporate commitment. To ensure a better Quality of Life for everyone, for now and for generations to come we need to bring about changes including eradication of poverty and unemployment, prevention of occupational hazards, prevention and control of pollution, preserving and increasing the number of endangered species, growth of GDP, increase in per capita income, trade balance and the like. In the era of globalization, sustainable development can only be achieved through close partnership between government, private business sectors and civil society. This article explains the three key dimensions of Business towards Sustainable Development i.e. Economic, Environmental and Social and also the sub-dimensions which are indicators of how an economy can achieve this objective. Secondary data has been used for the purpose of study.



KEY WORD: Economic Sustainability, Ecology & Environment and Social Equity.

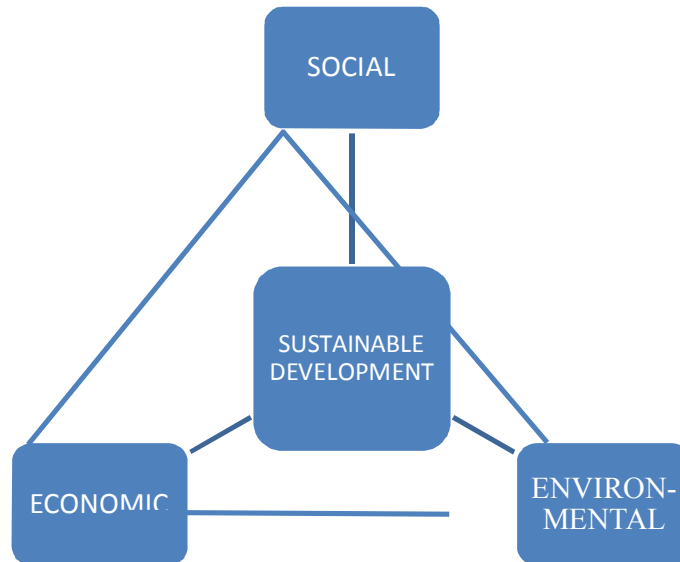
INTRODUCTION

The concept of Sustainable Development is very broad as it balances the need for economic growth with environmental protection and social equity. It is a philosophy based on human goals and on understanding the long-term impact of our activities on the environment and on other species. The term was first popularized in 1987, in the Gro Harlem Brundtland Report "Our Common Future", published by the World Commission for Environment and Development (WCED). Sustainable development means "meeting the needs of the present without compromising the ability of future generations to meet their own needs." Business houses are expected to build a better future for the generations of present and of tomorrow. For the past 20 years corporate sustainability largely has been defined by people and institutions in the West. But with the current global shift in the economic balance, countries like India are redefining the landscape of sustainability. The emerging economic, environmental and social problems have forced the corporate and

the nations to work towards a solution so that resources of today can be preserved for the generations to come.

ELEMENTS OF SUSTAINABLE DEVELOPMENT

The 2005 World Summit on Social Development identified Sustainable Development Goals, such as Economic Development, Social Development and Environmental Protection.



DIMENSIONS	SUBDIMENSIONS	INDICATORS
ECONOMIC	GDP	GDP (total value of all goods and services produced) in comparison to the previous quarter or year.
	Trade	Balance of Trade in Goods and Services.
	Information And Communication Technologies	Internet Users Per 100 Population. Fixed Telephone Lines Per 100 Population. Mobile Cellular Telephone Subscribers Per 100 Population.
	Waste Generation and Management	Generation of Industrial and Municipal Solid Waste
	Energy Use	Annual Energy Consumption Per Capita.
	Employment	Employment-Population Ratio. Labor Productivity And Unit Labor Costs. Share Of Women In Wage Employment.
ENVIRONMENTAL	Atmosphere	Climate Change. Ozone Layer Depletion, Concentration of Air Pollutants.
	Land	Forest Area As A Percent Of Land Area
	Desertification	Land Affected By Desertification.

		Soil Degradation.
	Water	Concentration Of Faecal Coliform In Freshwater. Algae Concentration In Coastal Waters. Water Poisoning.
	Diseases	Coal Workers Disease, Asbestosis.
	Chemical Hazards	Birth Defects, Cancer.
	Biodiversity	Ecosystem, Species.
SOCIAL	Poverty	Percent Of Population Living Below Poverty Line. Unemployment Rate.
	Gender Equality	Ratio Of Average Female Wage To Male Wage.
	Nutritional Status	Nutritional Status Of Children.
	Mortality	Mortality Rate Under 5 Years Old. Life Expectancy At Birth.
	Sanitation	Percent Of Population With Adequate Sewage Disposal Facilities.
	Drinking Water	Population With Access To Safe Drinking Water.
	Healthcare Delivery	Percent Of Population With Access To Primary Health Care Facilities. Immunization Against Infectious Childhood Diseases. Contraceptive Prevalence Rate.
	Education Level	Children Reaching Grade 5 Of Primary Education. Adult Secondary Education Achievement Level.
	Literacy	Adult Literacy Rate
	Living Conditions	Floor Area Per Person
	Crime	Number Of Recorded Crimes Per 100,000 Population
	Population Change	Population Growth Rate

ECONOMIC DIMENSION

Economic Sustainability is the ability of an organization to maintain a defined production level indefinitely. But the concept of a society in which development is sustainable is much broader than the concept of economic profitability. Industries continuously exploit the natural resources for their benefit. Emission of greenhouse gases, land, water and air pollution, deforestation, loss of bio-diversity, accumulation of waste, energy crises etc. all are the outcomes of business activities. Development which is sustainable involves a progressive transformation of economy and society. It requires balancing between trade, commerce, energy consumption, use of technology, employment, waste management etc. with environmental protection and social equity. The developmental policies should ascertain that all the three pillars for building a sustainable society work in harmony with each other. The corporate should develop strategies not only to compete with other firms for profitability but also for social and environmental sustainability.

ENVIRONMENTAL DIMENSION

Ecosystem is the study of the relationship of plants and animals to their physical and biological environment. "Environment is the sum total of biotic and abiotic conditions influencing the response of a

particular organism (Kendall-1974)". Economic objective of business is creating a negative impact on our ecosystem. Growth that harms the ecosystem and ultimately declines the quality of life is not an economic growth rather it is uneconomic. According to UNEP report Green Economy is the one that "improves human well-being and social equity, while significantly reducing environmental risks and ecological scarcities". Human ethics describes the principle of non-violence against nature.

SOCIAL DIMENSION

This dimension of sustainable development explains the concept of a society where there is peace, harmony, security, social justice, and equality. An increase in the purchasing power of consumers has increased the wasteful consumption of resources. As a consequence the gap between the rich and the poor is increasing. Developing countries like India are still fighting with the problem of poverty, education, unemployment, drinking water, sanitation, health care facilities, standard of living and so on. Concept of globalization must also serve the social needs of development apart from serving the commercial interests. To bring about a social change, we must acknowledge the importance of education to create awareness, bring about a change in attitude and develop skills needed to achieve a sustainable society.

CONCLUSION

The model of development which the corporate houses are practicing is environmentally unsustainable. They take too much benefit from the environment and return too little. They should redefine their boundaries of work to bring about a transformation in the existing way of carrying business activities. Business need to be more environmentally ethical. Their activities should always be for the benefit of mankind. For this they need to redefine their policies governing acquisition, distribution and utilization of renewable and non-renewable resources, their impact on environment and society as a whole including concern for social equity for the generations to come. There is a need to strengthen the Governance for Sustainable Development at the Local, National and International Levels. Economic well-being, social development, and environmental stability must be addressed together if development is to be sustainable. Ignoring any one of these three pillars can bring down the other two. Our planet must be protected from corporate exploitation and neglect.

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