

# Rachel's Environment & Health News

## #297 - What Works -- Part 2: How To Terminate Business As Usual

August 04, 1992

In a very real sense, the system cannot reform itself. The business organizations that are destroying the planet as a place suitable for human habitation cannot do the right thing EVEN WHEN A MAJORITY OF THEIR MEMBERS WANT TO. These organizations have narrowly-defined goals, which are embedded in the corporate charter (the legal document that creates a corporation and gives it legal standing in the community). Chiefly, business organizations exist to return a profit to their investors and managers, and this goal eclipses all others. As the Business Council for Sustainable Development said recently, "Business enterprises exist to generate wealth by adding value," and "The basic goal of business must remain economic growth." [1]

It is ironic that even the leaders of the world's largest business organizations no longer believe that "business as usual" is sustainable. In a joint declaration earlier this year, the presidents of Dow Chemical, Du Pont, BFI and about 50 other large companies said, "Continued economic development now depends on radical improvements in the interactions between business and the environment. This can only be achieved by a break with 'business as usual' mentalities and conventional wisdom, which sideline environment and human concerns." [2]

In sum, the planet is being destroyed as a place suitable for human habitation by individuals who do not want to destroy it but who cannot help themselves because they are caught up in organizations whose narrow goals take precedence over their own personal ethics and aspirations. Furthermore, even the leaders of these organizations don't believe they can continue their usual patterns of behavior for long. They explicitly recognize that the world industrial system is not sustainable.

Thus a key question emerges: How can the self-propelling, destructive behavior of these organizations be changed? The lives and the well being of our children depend upon finding an answer, and fairly soon.

For at least two decades now, the environmental movement has been working to reform the behavior of business people, particularly "big business" people. (This focus on corporate reform has not always been explicit, but since pollution largely stems from corporate decisions, anti-pollution activism is, at bottom, always an attempt at corporate reform.) The question is, what works? As we look back on two decades of our labors, what successes can we point to? What strategies have shown promise, and what tactics have borne fruit?

A new organization, the Environmental Exchange, just 18 months old, has begun to catalog the successes of the environmental movement, and their first report is just out. WHAT WORKS REPORT NO. 1; AIR POLLUTION SOLUTIONS examines a broad range of ideas and projects that are succeeding. [3]

The authors have broken the subject into the following categories:

### Fighting Smog

--transforming transit

--curbing cars

--boosting bikes

--controlling smog from stationary sources

### Tackling Air Toxics

--reducing industrial toxic emissions

--local laws attack toxics

### Saving the ozone layer

--phasing out ozone depleters

--local laws ban CFCs

### Air pollution education

--hands-on activities

--curriculum development

The report offers a series of stories about communities that have forced change to happen. "Rather than waiting for government directives, people are directing their own efforts to save the earth." In this, "...they reflect the common sense spirit of initiative that is essential to solving our environmental problems."

Take Portland, Oregon. In the 1970s, Portland violated clean air standards one day out of every three. Local government began by placing a cap on downtown parking; then they stopped putting money into widening or building roads into downtown Portland, putting the money instead into mass transit. They built a light-rail system now known as Max. Result: downtown employment has increased from 60,000 to 90,000 since the early 1970s, and 43% of all commuters now use mass transit. Air pollution violations are near zero, urban sprawl has diminished, and more than \$400 million has been invested in new developments near the transit line.

In addition to success stories, WHAT WORKS REPORT NO. 1 offers useful facts, such as these: light rail costs \$10-\$20 million per mile to build; a highway costs \$100 million per mile to build; one rail track can move as many people as an 18-lane highway; since 1971, 750,000 Americans have been killed in automobile accidents; train wrecks have killed 63 passengers during the same period.

Now we move to Cloverleaf, Texas. In 1990, LaRoche Industries proposed to put a 105,000-gallon ammonia storage facility in Cloverleaf. Just a few months earlier, a 3000-gallon tank truck of ammonia had crashed and ruptured on a Houston freeway, killing seven people, hospitalizing 50, and requiring evacuation of 1000 others. The company's application for an air pollution permit argued that Cloverleaf was a good spot for their tank because the community consisted mainly of "small poorly maintained houses... small junky businesses... and very low quality housing." Community residents wanted to know why LaRoche considered it more "appropriate" for them to bear the risks than their higher-salaried neighbors. Community residents and members of the group Texans United attended the first meeting of the Texas Air Control Board armed with posters showing enlarged reproductions of the offensive language in the application. "The Air Control Board officials flew into our first meeting expecting to smooth things over with a few fearful homeowners," says community leader Karla Land. "But when they looked around the hall and saw those posters, they knew they'd walked into a hornet's nest of organized opposition. The Board seemed a little stunned, promised to consider our objections, and headed back to Austin." The Air Board subsequently denied the application, the first denial in the Board's history.

As you read WHAT WORKS REPORT NO. 1, you will see that what works is:

\*\* angry, ORGANIZED communities;

\*\* constant watchdogging by citizens of permit applications and compliance records;

\*\* bad publicity for polluters;

\*\* a growing awareness among business people that waste reduction saves money;

\*\* lawsuits to recover damages, or the threat of such lawsuits or, in

some cases, the mere POSSIBILITY of such lawsuits;

\*\* evidence of pollution, especially evidence on video tape;

\*\* someone to raise the initial question, why should we take this anymore?

\*\* local laws stricter than state or federal laws;

\*\* laws (local, state and federal) that require companies to produce data about their pollution, so they no longer operate on an honor system but are publicly accountable to the community;

\*\* relentless citizen pressure, which can topple the most recalcitrant corporate or government adversary.

These are what works.

It is interesting to compare this list to a similar list drawn up by the Business Council for Sustainable Development. What does the Business Council say works?

\*\* The threat of government regulation. (But they say this doesn't work well: As the Business Council notes, "Business has favored regulation in the past because it also is more familiar with this approach, and feels it can influence it through negotiation. In addition, in many nations regulations are passed but rarely enforced.")

\*\* Solicited voluntary initiatives. President Bush has used this tactic, asking America's largest polluters to voluntarily reduce the quantities of poison they release. Unfortunately, the effectiveness of this request cannot be evaluated objectively because the U.S. government collects no data on its own but, instead, relies entirely on self-reporting by industry.

\*\* Required disclosure of environmental effects; for example, in the U.S., the Toxics Release Inventory requires certain industries to disclose the nature and amount of their emissions; this works because it "allows the public to see the records and act accordingly; it ranks companies; and it demonstrates waste to boards of directors."

\*\* Public pressure or public esteem: industries operate with an implied contract with the public and "loss of confidence cannot long be tolerated."

\*\* Peer pressure: "Leading companies are adopting sustainable development charters, which puts pressure on others to do likewise."

\*\* A common view of common threats: business people inhabit the same planet as everyone else and don't want to wreck it.

\*\* Consistency of behavior by multinational corporations--cleanup of a U.S. facility forces cleanup of a subsidiary in El Salvador or South Asia, the Business Council says. (pgs. 20-21)

What's missing from the Business Council's list is direct confrontation with angry, ORGANIZED communities; local laws stricter than state or national laws; lawsuits for money damages or the threat of such lawsuits; and restrictions written into the corporate charter. These are what REALLY works.

--Peter Montague

=====

[1] Stephen Schmidheiny and the Business Council for Sustainable Development, CHANGING COURSE; A GLOBAL BUSINESS PERSPECTIVE ON DEVELOPMENT AND THE

ENVIRONMENT (Cambridge, Mass.: MIT Press, 1992).

[2] Schmidheiny, cited above, pg. 82.

[3] Mark Malaspina, Kristin Schafer, and Richard Wiles, WHAT WORKS REPORT NO. 1; AIR POLLUTION SOLUTIONS (Washington, D.C.: Environmental Exchange, June, 1992). 111 pgs. Available from: Environmental Exchange, 1930 18th Street, N.W., Washington, DC 20009. Tel.: (202) 387-2182; \$17 and worth it.

Descriptor terms: business council for sustainable development; sustainable development; environmental exchange; environmental laws; portland, or; mass transit; cloverleaf, tx; laroche industries; ammonia; or; tx; air pollution;