Title
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Journal
Organization & Environment, 32(2)

ISSN
1086-0266

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Publication Date
2019-06-01

DOI
10.1177/1086026619848255

Peer reviewed

UNDERSTANDING THE ROLE OF THE CORPORATION IN SUSTAINABILITY TRANSITIONS

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2019

Organization & Environment 32(2), 87-97.

Introduction to the Special Issue on the Role of the Corporation in Sustainability Transition

Abstract

The state of the planet calls for large-scale sustainability transitions involving systemic adoption of markedly better environmental and social practices. The objective of this symposium is to better understand the role of corporations in promoting such systemic change. We present four case studies—representing diverse industries and change mechanisms—-to investigate corporate leadership in sustainability transitions. The cases examine a wide range of mechanisms used by corporations to progress toward sustainability, such as political coalition building and information strategies through eco-labels, socially responsible investing, and the public statements of CEOs. In this introduction, we discuss the challenges associated with both achieving and studying systemic change, explain the rationale for a case study approach, describe the findings from the case studies, and draw some general conclusions on the mechanisms by which firms may be able to lead, or at least participate in, systemic change in the different phases of sustainability transitions.

Keywords

sustainability, market transformation, corporate leadership, Marine Stewardship Council, socially responsible investing, CEO activism, nongovernmental organizations

By many measures, the state of the planet is dire. According to the Global Footprint Network, we are consuming resources at a rate 1.7 times higher than the earth can sustain.1 The rate of species extinction has been estimated to be over 100 times the historical background rate.2 The United Nations' Intergovernmental Panel on Climate Change anticipates growing food shortages, wildfires, and virtually complete destruction of the world's coral reefs by the year 2040.3 The urgency of the situation calls for more sustainable actions, taken at a larger scale. Specifically, entire industry sectors need to become sustainable. Although there are many instances of firms adopting more sustainable behaviors, it is unclear whether these are accumulating to create actual sectoral sustainability. Corporate sustainability researchers increasingly question whether even the best-intentioned corporate sustainability actions can really promote meaningful change at the level of an entire industry or across industries (Barnett, 2019; Vogel, 2007).

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How can society induce large-scale sustainability transitions? Is there any evidence that corporations actually take leading roles in them? Exactly what is the role of corporations in sustainability transitions?

Sustainability transitions lead to systemic adoption of markedly better practices in entire industries, in particular functions across multiple industries, or to the creation of whole new industry segments. Examples include the Montreal Protocol, which phased out ozone-depleting chemicals; regulations phasing out the use of lead in gasoline; and laws banning the use of DDT (dichlorodiphenyltrichloroethane). Many such transitions are currently in various stages of progress, including green construction practices, socially responsible investing (SRI), and markets for sustainable seafood. Most sustainability transitions involve public politics, but some may potentially be accomplished through private politics (i.e., direct engagement between firms and activists). The objective of this symposium is to better understand the role of corporations in promoting meaningful change at the level of an entire industry or across industries.

The Montreal Protocol, a global agreement to protect the stratospheric ozone layer by phasing out the production and consumption of ozone-depleting substances, has been universally ratified and is considered one of the few successful examples of a sustainability transition. Since 1989, when the Montreal Protocol came into force, the production of ozone-depleting substances (mostly chlorofluorocarbons, or CFCs) has rapidly declined, and it is expected that atmospheric ozone concentrations will return to their normal ranges toward the end of this century. The role of DuPont in the development of the Montreal Protocol is often touted in business schools as an example where corporate leadership accelerated a sustainability transition (Reinhardt, 2000). DuPont announced that it would eliminate production of six key CFCs by 1999, much faster than required by the Montreal Protocol. This announcement won DuPont much favorable coverage in the media, and it helped motivate the Montreal signatories to gather in London in June 1990 and agree to phase out CFC production by 2000. Although the move was socially responsible, it also provided a strategic benefit to DuPont because the firm was the market leader in CFC substitutes. Thus, a rapid phase-out would allow DuPont to exit the unprofitable market for commodity CFCs and switch over to high-margin CFC alternatives, despite the grumbling of CFC buyers.

However, even this classic case required government pressure to elicit action. DuPont had been a denier of ozone concerns not long before speaking out in favor of CFC substitutes. It was new scientific evidence (plus Congressional pressure) that finally moved DuPont to take a public stance, and even then, DuPont's actions merely accelerated a phase-out process that was already well under way thanks to intergovernmental agreements. This raises the question whether there are other examples of corporate leadership that might better illuminate the potential mechanisms that link corporate action to sustainability transitions.

In order to pursue this line of inquiry, we convened in 2016 a small workshop with Alliance for Research on Corporate Sustainability leaders and others, with the generous support of the Borchard Foundation, to discuss other potential examples of sectoral sustainability transitions. The topic is difficult to study using traditional social science methods. The number of cases of successful sustainability transitions is small, and even the definition of a successful transition can be contentious. Moreover, even if there were a consensus on the complete set of successful sustainability transitions, the challenges of assembling adequate microdata to assess the role of corporations in each transition are enormous. The goal of the workshop was more modest: to identify through examples the mechanisms by which firms may be able to lead, or at least participate in, systemic change.

Out of this workshop, several sectoral cases were developed that are presented in this special issue.

Elements of Sustainability Transitions

The first important element of a sustainability transition is that it is a process that unfolds over time. Systemic change is often thought of as developing through a sequence of phases with increasing impact on firms. Scholars in economics and sociology have described several phases in the development of regulatory policies or the adoption of organizational practices (Baron, 2012; Lyon & Maxwell, 2004). In general, four main phases are recognized. In the initiation phase, actors or innovators identify a problem and begin to define new practices that may offer a solution. Competition between advocates of alternative practices is often part of this phase. The early adoption phase is characterized by limited knowledge about the proposed practice or practices and a small number of adopters. In the diffusion phase, the practices gradually diffuse within the sector. However, things are not yet permanent or stable; there are still competing practices, and the "best practice" can be, and often is, contested. In the last phase, the standardization phase, consensus forms behind one particular practice as the de facto standard, or a particular practice is regulated as the industry standard. In sociological terms, this stage reflects the outcome of "the processes by which social processes, obligations, or actualities come to take on a rule-like status in social thought and action" (Meyer & Rowan, 1977, p. 341). The challenge for sustainability transitions is that sustainability is about the public good. Thus, there is always the possibility of free riding and hence the difficulty to reach full adoption within the industry without government coercion. This is the classic case of the tragedy of the commons (Hardin, 1968). While corporate sustainability research has described potential economic benefits for firms in adopting green practices individually, we are still missing a general framework that would explain how the full adoption of sustainable practices at the sectoral level can occur without government involvement. Perhaps the leading theory is that an industry may self-regulate in order to preempt the threat of government regulation (Maxwell, Lyon, & Hackett, 2000), yet even when regulatory threats are serious, some firms in an industry will likely refuse to adopt best practices voluntarily (King & Lenox, 2000).

A second key element of a sustainability transition is that it is difficult in practice to define, and assess empirically, what a sustainability transition means. Stakeholders must agree on the definition of what are accepted as "sustainable" practices, but sustainability is a complex phenomenon that can be interpreted and evaluated in many ways (Delmas, Etzion, & Nairn-Birch, 2013). Because it is difficult to define, sustainability can be debated at length among stakeholders, and this can lead to controversy surrounding the definition chosen and the practices required to achieve it (Wijen, 2014). Furthermore, it is also difficult to define at what level of best-practice adoption one can say that there has been a "full" sustainability transition within a sector. For example, should the majority of firms have adopted the sustainable practice? Must all firms in the industry have adopted? Exactly how many is enough? The cases presented in this special issue address this important question. One issue is how to define a sector and the penetration rate of a sustainability practice. For example, one could think that organic products in the United States belong to the standardization phase of a transition since they are regulated by the U.S. Department of Agriculture and most grocery stores offer organic products. However, in terms of market share of groceries, the numbers are much lower. Organic sales account for only a little over 4% of total

U.S. food sales.4 Similarly, 9.5 million metric tons of seafood caught annually are certified by the Marine Stewardship Council (MSC), and MSC fish is available in a majority of stores. However, this catch represents only about 10% of the annual global harvest of wild capture fisheries.5 So researchers need to be sophisticated in addressing this issue within the context of the sector they are studying.

A third element of a sustainability transition is the nature of corporate participation in the process. There are many different strategies that firms can use to resist or influence the adoption of sustainable practices at the sector level, and firm strategies vary according to the phases of the sustainability transition. Perhaps the most common strategy to resist a sustainability transition is lobbying to block environmentally friendly legislation (Rivera, 2010). Another is creating doubts about the need for a sustainability transition at all (Oreskes & Conway, 2011). On the other hand, a typical example of a strategy to move a sector toward sustainability is the use of corporate or product information disclosure. For instance, firms that meet certain levels of environmental performance can adopt eco-labels, which signal to consumers the environmental attributes of a product. The goal of eco-labels is to provide easily interpretable information and thereby elicit increased demand for products deemed by some third party to be environmentally favorable (Delmas & Grant, 2014). Examples of eco-labels developed by nonprofits include the Forest Stewardship Certification label for lumber, the MSC label for food products that come from sustainable fisheries, and the Leadership in Energy and Environmental Design label for green buildings. Labeling programs provide clear standards and rewards for compliance. Certainty in design and outcomes is crucial for the types of corporate investment that are required to achieve a sustainability transition. Even without meeting particular performance standards, firms can also engage in corporate information disclosure, for example, by participating in the Carbon Disclosure Project. Disclosure is a strategy commonly used in SRI, which is an investment strategy that uses information disclosed by firms related to their environmental, social, and governance (ESG) criteria to bring about positive change (Delmas et al., 2013).

A fourth element of sustainability transitions is that they involve leadership, possibly of multiple different types in different parts of the larger sector of concern. Our particular interest in this symposium is to clarify the role and meaning of corporate leadership within sustainable transitions. Is leadership about creating an inspiring vision of the future and motivating people to engage with that vision? Alternatively, must it go further than that and involve investments that commit a firm to a new course of action? Or is leadership actually a collective activity, involving working with others to implement a shared vision?

The case studies in this special issue help us investigate what is meant by corporate leadership and sustainability transitions in practice. The set of articles presents examples from very different contexts. In terms of industries, we include fishing and finance. In terms of places, we have examples from California and France. The first two articles examine the role of the corporation in potential nongovernmental solutions to sustainability problems: eco-labels and SRI. The third is about corporate actions within the broader socioeconomic context of transitions and the dynamics of change, with a strong emphasis on the role of political processes. The fourth focuses on the role of public discourse in creating the context for a transition and examines in particular the role of CEOs in shaping public discourse. In terms of mechanisms, we observe political coalition building; information strategies through eco-labels, SRI, and the public statements of CEOs; and coalition-building strategies.

The Articles in this Special Issue

Controversy Over Voluntary Environmental Standards: A Socioeconomic Analysis of the Marine Stewardship Council (Wijen & Chiroleu-Assouline, 2019)

The adoption of voluntary environmental standards aimed at upgrading a set of corporate practices should increase the likelihood of achieving a sustainability transition. The standards can be set by various actors, including business, nongovernmental organizations (NGOs), or government, working alone or in concert with one another. In their article, Frank

Wijen and Mireille Chiroleu-Assouline note that the very notion of “environment” or “sustainability” invites controversy in the standard-setting process. What exactly counts as “sustainable,” and who gets to decide? The authors illustrate controversy in the standard-setting process by examining the establishment of the MSC and its label. While the MSC label appears to have worked in generating a market premium for labeled fish, thereby creating a monetary incentive for the adoption of the label by small and large fisheries, it has not been without controversy. The authors study several challenges. First, because of the need for corporate adoption, the goals of the founding corporate partner, Unilever, were better reflected in the label’s standards than the broader goals of the founding NGO partner, the World Wildlife Fund (WWF). This led to a number of objections from NGOs regarding whether the standards would really achieve sustainability. Additionally, several NGOs objected to the breadth of the standards, not because the WWF lacked bargaining power vis-à-vis Unilever but because neither founding partner shared its specific concerns regarding various factors that could fairly be seen as contributing to the goal of sustainability.

The authors detail these controversies and point out that they led to a proliferation of competing labeling schemes designed to address the concerns of the various NGOs that established them. In particular, the labeling scheme Friends of the Sea, sponsored by the Earth Island Institute, was developed in response to the high certification costs associated with the MSC label. By 2015, MSC and Friends of the Sea, by far the two largest sustainable fisheries labels, had achieved parity, with each having roughly a 10% share of the global supply of seafood. The question naturally arises, given that controversy over sustainability labeling is virtually inevitable, whether the resulting label proliferation is a good or bad thing. The authors suggest that as long as labels maintain signaling value, allowing consumers to make a meaningful purchase decision in favor of a more sustainable product, the proliferation has the potential to be a positive step toward a sustainable transition of an industry.

“Encouraging Investors to Enable Corporate Sustainability Transitions: The Case of Responsible Investment in France” (Crifo, Durand, & Gond, 2019)

Patricia Crifo, Rodolphe Durand, and Jean-Pascal Gond describe how institutional investors can play a major role in corporate transitions toward corporate sustainability through the development of SRI. SRI is an investment strategy that considers both financial returns and social/environmental impact to bring about a positive change. The authors argue that SRI has become mainstream in France, with 63% of French conventional funds in terms of assets integrating at least one SRI criterion. They describe four phases of institutionalization of SRI in France and show that institutional investors did not act alone in any of these phases. Instead, complementary actors, such as the government and unions, helped facilitate the development of the socially responsible investment industry in France. The authors also show that the emergence of a sustainability transition within the finance industry, and in institutional investors’ asset management divisions more precisely, started with the creation of a new market category and the implementation of corresponding practices. The institutionalization of the SRI fund category was facilitated by a governmental disclosure regulation that codified the production of ESG-related information.

"Promoting Sustainable Government Regulation: What We Can Learn From California (Vogel, 2019)"

David Vogel uses the case of California to demonstrate how businesses historically have taken leadership roles in the development of innovative environmental regulations in the "Golden State." Vogel argues that California was able to consistently adopt more innovative, stringent, and comprehensive environmental regulations than any other American political jurisdiction because business preferences on environmental issues were divided. Industry did not form a united front of opposition to regulation; instead, firms or industries that benefited from environmental regulations battled with opposing firms to promote their enactment. Often, to push the development of environmental regulations, businesses created alliances with citizen and environmental groups. These alliances were made possible by the citizens' strong interest in maintaining or restoring various features of the state's natural environmental beauty and natural resources. Such beauty and resources made California a desirable place to live and work in and visit, thus creating business opportunities for many industries, especially those related to tourism. However, California's resources also made it vulnerable to environmental damage, threatened by economic and population growth. For example, within four years of the discovery of gold in 1848, the state's population had increased by 2,500 percent, and San Francisco became the largest and most important city west of the Mississippi. The associated mining, much of it done using environmentally destructive methods, severely degraded the natural environment of the Sierra Nevada Mountains and the rivers that flowed out of them. It was in the interests of both citizens and certain business segments to protect it.

Typically, the interests of business have been divided in California, with some firms or industries opposing standards that are more stringent and others supporting them. For example, the farmers of the Sacramento Valley were among the state's earliest important business supporters of more stringent environmental regulations; they fought against the mining industry to protect the quality of the water flowing out of the Sierras. Likewise, the real estate and tourism industries battled the automotive industry on air quality issues in the Los Angeles Basin. In short, California's environmental regulations benefited from the support of business interests that had direct concerns in keeping California "green." According to Vogel, business leadership on sustainability is directly related to commercial interests. Progress depends on some set of commercial interests being disadvantaged by current or proposed industry practices and believing that they would benefit by financially regulating them. Furthermore, such progress can typically only occur when an NGO teams with an industry to impose regulations on another industry. In other words, businesses or industries are not monolithic with respect to sustainability changes: Some benefit, while others lose. In order to win victories for sustainability, it is important for businesses to partner with other organized groups in the broader society to garner broad political support.

Assessing the Impact of CEO Activism (Chatterji & Toffel, 2019)

The role of the CEO is an increasingly political one, and executives like Facebook's Mark Zuckerberg or Twitter's Jack Dorsey often find themselves in the public eye. This public attention is frequently negative and reactive—for example, surrounding Facebook's role in disseminating Russian disinformation or Dorsey's tweet about eating at Chick-Fil-A during Pride Month. However, some CEOs are trying to use their celebrity status to proactively influence public debate on issues unrelated to the firm's core business. Aaron Chatterji and Mike Toffel coined the term CEO activism to refer to these efforts, and article offers the first evidence on the effects of CEO activism. The authors conducted a pair of survey experiments to test whether public opinion is influenced when CEOs make public statements. The first study examined attitudes toward a law that might allow discrimination based on sexual orientation. A statement from Apple CEO Tim Cook calling attention to this risk reduced support for the law, but no more than did a similar, totally unattributed statement. However, the statement from Cook (who is openly gay) only influenced supporters of same-sex marriage, while the unattributed statement influenced everyone. In addition, supporters of same-sex marriage expressed higher intent to purchase Apple products after Cook's statement, but opponents did not change their purchase intent significantly. The second study examined attitudes toward climate change and found that they were impervious to statements from "CEOs from many S&P 500 companies" or any other group of people. Together, the two studies suggest that CEO activism can serve as a positive marketing signal to specific demographic groups, even though CEOs may have no special influence on public opinion.

More broadly, the article suggests that consumers increasingly take political considerations into account when making purchase decisions. This can benefit big firms like Apple, even on issues that are not central to the business, like same-sex rights. It can also pay big dividends for sustainability-oriented companies like Patagonia, whose vocal activism is core to its business and whose revenues and profits have quadrupled over the past decade. The privately held company garnered widespread media coverage recently for its lawsuit against the Trump administration's move to slash the size of Bears Ears and Grand Staircase Escalante National Monuments.[6]

Conclusions

Several findings emerge from our case studies that illuminate the role of the corporation in sustainability transitions.

Leadership Strategies and Stages of Transition

Our first finding is that several key strategies were often used by companies confronting a sustainability transition. In our cases, four strategies stood out: (1) lobbying government, (2) supporting the creation and diffusion of a new sustainability practice, (3) adopting a new sustainability practice, and (4) speaking out publicly on an issue. We also found that the use of these strategies varied according to the stages of the sustainability transition, and in general, we observed more corporate leadership in the early phases of initiation and adoption than in the later phases of diffusion and standardization. For example, in the case of MSC, Unilever provided crucial leadership at the initiation phase of the issue, presumably motivated to support the long-term sustainability of its 20% share of the global frozen fish market. Similarly, CEO activism can be seen as leadership to raise awareness of a specific issue in its early stages of development.

We also confirm that in the initiation and early adoption phases of a practice, the practice is often contested by other firms within the same sectors or firms from other sectors. For example, while some firms speak publicly for the new practice, it is often the case that other corporations take the opposite view in less public settings, such as through lobbying (Delmas, Lim, & NairnBirch, 2016; Lyon et al., 2018). Indeed, our case studies provided examples of companies fighting change, as when the California mining industry fought new regulations to protect downstream water quality. In the case of MSC, we observed that controversy about the definition of sustainable fishing is still present two decades after the creation of the eco-label.

The Value of Business–NGO Coalitions

A key question is what conditions lessen industry resistance to sustainability practices and move a practice from the initiation phase to the diffusion and standardization phases. We find that coalitions between business and NGOs can be productive in this regard. Firms rarely advocate for or even adopt new sustainability practices independently, but rather they cooperate with other organizations through networks. In California, successful change efforts typically involved a coalition of citizen activists with businesses that stood to profit from sustainability, such as realtors selling homes with clear views, hotels and entertainment firms catering to tourists, or farmers dependent on plentiful, clean water supply. In the case of MSC, Unilever worked with WWF to create the label. More broadly, nonprofit organizations have become sophisticated communicators and are perceived as instigators of change in the global marketplace (Delmas, Lyon, & Jackson, 2019). Without the support of nonprofits and citizen coalitions, it is unlikely that innovative sustainable practices have a chance to overcome contestation and competing practices and diffuse more broadly.

The Important Role of Government

Perhaps most important, our cases make it clear that sustainability transitions are unlikely to occur without government support. Indeed, the most successful examples of sustainability transitions include the government as a key player. Of our four cases, those in which firms and government "work together/use government tools" (California and SRI) exhibit more positive outcomes than those without government involvement (MSC and CEOs). The lack of government participation in the case of the MSC eco-label might help explain the controversy surrounding it. Any information strategy needs agreement on what needs to be disclosed and how and where it should be disclosed. Lack of agreement, which could be remedied by government, might be why the MSC label has not reached a tipping point despite 20 years of effort. Conversely, the involvement of government in the description of ESG categories in the case of SRI in France appears to be one of the reasons for the successful diffusion of ESG principles through the French investment world. Not only did the French government require firms to disclose ESG information, but it also helped create agreement on the definition of the ESG categories. Interestingly, this indicates that government support can be quite helpful not only in the later phase of diffusion of a practice but also in the early phases. This confirms what was shown in other research related to the diffusion of environmental management standards, where the role of government participation in the design of a standard was crucial both in the early phases and in the later phase of diffusion of the standard (Delmas & Montes-Sancho, 2011).

More broadly, it seems that sustainable transitions are difficult without the involvement of government. This is probably truer for sustainability transitions than for other industry transitions because sustainability transitions are almost always going to involve market externalities. Governments have powerful tools to control market externalities to which businesses and NGOs simply don't have access: that is, taxes, subsidies, and standards. Without making use of these tools, it is difficult to ensure a complete transition to a new set of practices. Unfortunately Government can also provide much needed certainty over standards and incentives (positive or negative) that allow companies to evaluate the types of investments needed to achieve sustainable change. As Mark Gainsborough, Executive Vice President of Shell recently noted "If you don't have government policies that are enabling the transition to happen it's probably very hard to deliver on the world-class investment case."[7]

Unfortunately, government solutions are difficult to implement when issues are international in scope (e.g., marine overfishing, climate change) or when the relevant government bodies are captured by business interests. Some of the most challenging questions have to do with how to accelerate a sustainability transition when government power is controlled by interests opposed to the transition.

Future Research Needs

We see two major areas that need further research.

Linking Strategies to Profitability

How are the strategies we observed related to a firm's bottom line? Lobbying is well understood as a tool for protecting or gaining profits through political influence (Drutman, 2015). With regard to sustainability, Californian miners lobbied against clean water regulations while farmers supported them, and automobile makers fought clean air regulations while California realtors and developers supported them (Vogel, 2019). With regard to creating new practices, the MSC label appears to have been created by Unilever to ensure supply of vanishing fishing stocks, which naturally would be profitable for a firm that controlled 20% of the market for frozen fish (Wijen & Chiroleu-Assouline, 2019). French investment companies adopted SRI principles because doing so would enhance their sales under the new government policies (Crifo et al., 2019). CEO activism might also help a firm's employees feel more connected with their company, and hence better motivated to perform at a high level (Chatterji & Toffel, 2019).

It is relatively straightforward to identify the ways in which corporate sustainability strategies can have a private benefit component, but it is considerably more difficult to evaluate these empirically. Although it is well established that good environmental performance is generally profitable (Flammer, 2013), more empirical research is needed into the specific mechanisms by which these benefits accrue. Furthermore, it is unclear whether the potential benefits listed above for firms leading the initiatives also apply to all the firms following them. If the benefits gained by first movers do not translate to followers or if followers can gain the benefits without fully implementing the associated practices, greenwashing is more likely to occur (Delmas & MontesSancho, 2010).

Linking Private and Public Politics

Perhaps the most fundamental question that requires further research is whether private politics paves the way for public politics or blocks it. Put another way, are private and public politics complements or substitutes? This question is the subject of Anand Giridharadas's (2019) book Winners Take All: The Elite Charade of Changing the World. He makes a provocative case that the well-meaning programs funded by the wealthy global elite (think Davos, Aspen, Clinton Global Initiative, TED, etc.) provide temporary relief of symptoms but studiously avoid any serious questioning of the underlying fundamentals of the existing "neoliberal" order. Moreover, the funders of these programs often deploy their political clout to block regulations that might limit not only inequality, financial crises, environmental damage, or health problems but also their profits. Giridharadas suggests that substantial, meaningful change will require a renewal of our political institutions, not just volunteerism on the part of wealthy elites.

As mentioned above, the importance of public politics comes through clearly in our case studies. The power of the state remains vast, and its ability to apply coercion can greatly accelerate sustainability transitions. The greenest state in the United States got that way through vigorous regulations that protect the environment (Vogel, 2019). SRI criteria diffused rapidly in France due to government support for them (Crifo et al., 2019). Indeed, government action appears to be virtually a necessary condition for a successful sustainability transition. As we have noted, the MSC label has failed to gain widespread acceptance across fisheries (Wijen & Chiroleu-Assouline, 2019). If voluntary programs serve to deter state action, then they may end up slowing sustainability transitions rather than hastening them (Lyon & Maxwell, 2003).

The importance of the state is not lost on CEOs of large multinational companies. As The Economist put it recently, “These days companies find it impossible to keep out of politics altogether. . . . CEOs will need to be as well-briefed on politics as a presidential candidate preparing for a live debate” (Coggan, 2019). Research has shown that the bottom line can benefit when CEOs speak out on political issues (Chatterji & Toffel, 2019), but how powerful a role they can play in accelerating sustainability transitions remains a question for future research.

As powerful actors in the global economy, large companies play important roles in sustainability transitions. This symposium has attempted to clarify the range of roles companies play and the extent to which they hinder or hasten transitions. In the cases presented, there is little evidence to suggest that companies can lead sustainability transitions alone, but perhaps this is too much to ask. Sustainability requires society to take into account the interests of people who are poor, distant, or not even born yet. Markets tend to serve the interests of those who are willing to pay to participate in them. It should not be surprising that NGOs or governments are needed to represent the interests of those who do not participate but are nonetheless affected by market externalities. Nevertheless, companies can play an important role by adopting a long-term perspective, partnering with NGOs that have aligned interests, or being quick to recognize emerging market segments that are willing to pay for sustainability. Simply refraining from using lobbying power to block progress can be a substantial contribution.

Funding

The authors gratefully acknowledge funding from the Albert and Elaine Borchard Foundation.

Notes

1. https://www.footprintnetwork.org/2018/06/13/earth-overshoot-day-2018-is-august-1-the-earliest- date-since-ecological-overshoot-started-in-the-early-1970s/
2. https://www.mnn.com/earth-matters/wilderness-resources/blogs/species-extinct-2018
3. https://www.ipcc.ch/sr15/
4. http://www.ers.usda.gov/topics/natural-resources-environment/organic-agriculture/organic-market- overview.aspx
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