The British Journal of Sociology 2013 Volume 64 Issue 3

Corporate corruption of the environment: sustainability as a process of compromise[1]

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Abstract

A key response to environmental degradation, climate change and declining biodiversity has been the growing adoption of market principles in an effort to better value the social good of nature. Through concepts such as 'natural capitalism' and 'corporate environmentalism', nature is increasingly viewed as a domain of capitalist endeavour. In this article, we use convention theory and a pluralist understanding of social goods to investigate *how* the social good of the environment is usurped by the alternate social good of the market. Through analysis of interviews with sustainability managers and corporate documentation, we highlight how organizational actors employ compromise to temporally settle disputes between competing claims about environmental activities. Our findings contribute to an understanding of the processes of empirically grounded critique and the undertheorized concept of compromise between social goods. Rather than protecting the environment, the corporate promotion of sustainability facilitates the corruption of the social good of the environment and its conversion into a market commodity.

Keywords: Compromise; corporate environmentalism; social goods; sustainability

Introduction

Growing concerns over climate change, deforestation, and declining biodiversity highlight the fundamental conflict between economic expansion and a finite environment (Jackson 2009). Despite the profound implications of this

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 ISSN 0007-1315 print/1468-4446 online.
Published by John Wiley & Sons Ltd, 9600 Garsington Road, Oxford OX4 2DQ, UK and 350 Main Street, Malden, MA 02148, USA on behalf of the LSE. DOI: 10.1111/1468-4446.12025

conflict, an increasingly common response has been to further incorporate the environment within market capitalism. For example, the UK government recently initiated an 'Ecosystem Markets Task Force' to review opportunities for the business sector to 'value and protect nature's services' by incorporating the environment within the market system (DEFRA 2012). Such initiatives are part of a growing trend in which the environment is accorded a market value, and business corporations are seen as the central institutions through which the value of the environment can be maintained. Indeed, concepts such as 'natural capitalism' and 'corporate environmentalism' highlight a 'business case' for the environment through new products, markets and forms of technological innovation in which both the environment and corporate profitability are seen to benefit (Esty and Winston 2006, Hawken, Lovins and Lovins 1999, Kurucz, Colbert and Wheeler 2008). Environmental challenges are thus seen as overcome by attributing a monetary or quantitative value to nature; a process of commensuration which transforms 'different qualities into a common metric' (Espeland and Stevens 1998: 314). While problematic for domains (like the environment) which have historically stood outside the market, with the growth in neo-liberalism increasingly broad areas of civil society are now subject to such marketization (Asdal 2008; Crouch 2011; Fourcade 2011; Harvey 2005).

In this article, we explore the process of how one social good, the environment, is accommodated within another, the market. Utilizing convention theory and a pluralist consideration of social goods (Boltanski and Thévenot 2006; Walzer 1983), we analyse how conflicts between different goods lead to their compromise in practice. Through analysis of interview and documentary data we explore how corporations incorporate appeals to environmental well-being. Our empirical findings highlight the continuous process of constructing *compromise* in response to criticism. By employing compromise, organizational actors temporally settle disputes between competing claims used in promoting environmental activities. These compromises are however one-sided and contribute to the degradation of the environment in favour of the market through the corruption of the environment as a social good. We thus develop earlier insights regarding the hegemony of the market (Levy and Egan 2003), by developing an analytical framework to understand the dynamic processes of critique and compromise within organizations. Although we recognize that the hegemony of the market makes other options to an economic exchange almost 'unthinkable', we are interested in compromises where actors recognize a plurality of goods. Understanding how the environment becomes compromised through settling conflicts between different goods, provides us with a starting point to analyse the domination of corporations (Walzer 1983), or invasions of the market (Lukes 2005), into a broader range of common goods such as education, healthcare and politics.

Pluralism, critique and compromise

A useful way to understand the distinction and disputes between 'social goods' is to consider the work of Walzer (1983). In *Spheres of Justice* (1983) he argued that different domains in society have their own ways of separating good from bad, right from wrong, and that each of these spheres is governed by different principles of justice. For example, the good of medicine should be distributed according to need, the good of recognition or honour according to desert, higher education according to talent, money according to skill in the market, and so forth. Continuing Walzer's claims of multiple incommensurable social goods, Boltanski and Thévenot (2006) further developed the internal logic within each of the spheres, or 'orders of worth', that justifies actions in response to criticism. Boltanski and Thévenot initially developed six legitimate worlds: the Inspired world, the Domestic world, the world of Fame, the Civic World, the Market world, and the Industrial world. Through later empirical investigation they added two more worlds: the Project world (Boltanski and Chiapello 2005), and the Green world (Thévenot, Moody and Lafaye 2000).

Each of these worlds have different types of goods, or worth, through which the world is evaluated in situations of dispute or uncertainty. This means that what is appropriate within the Market world differs from what is appropriate in the Green world. However, these goods transcend people and groups, which means that they can, and normally do, coexist within the same social space or situation (Boltanski and Thévenot 2006). Walzer (1983), in arguing for social justice through a 'complex equality', was concerned about the domination of one sphere over another; we should for instance not let money in the sphere of the market be used to buy votes in the sphere of politics. As Walzer (1983: 11) critically notes where distribution is corrupted '[a] dominant good is converted into another good . . . in accordance with what often appears to be a natural process but is in fact magical, a kind of social alchemy'. While Boltanski and Thévenot (2006) are mainly interested in how these different worlds are used by actors in local disputes to convince others, solve conflicts, or reach agreements, their examination of changes in capitalism since the 1960s reveals many of the 'tricks' behind this 'social alchemy' (Boltanski and Chiapello 2005).

Of particular interest for Boltanski and Thévenot (1999: 359) in understanding the expansion of worlds are '*moments critiques*' – moments of crisis, conflict or dispute – when the coordination of activities are challenged or break down (Lamont and Thévenot 2000). Beyond private arrangements or ceremonial responses, actors provide justifications based on some kind of general interest in responding to criticism and seeking agreement. Boltanski and Thévenot (2006) argue that a pluralism of justifications allows for basically two types of criticism: internal and external to the world. Criticism internal to the world involves questioning the fairness or accuracy of the situation in relation to a common good within a specific context. The disagreement or dispute is then solved through a 'reality test' as to whether the invoked world satisfies the corresponding good (Boltanski 2011). For example, if a person invokes the world of the market, the reality test is whether the decision leads to increased competitiveness. Similarly, in the green world the test is one of 'green-ness' through, for example, 'protection of wilderness, stewardship of environmental resources, and cultivation of various attachments to nature' (Thévenot, Moody and Lafaye 2000: 257). By contrast, the second and more radical form of criticism (external to the world) questions the validity or the relevance of the test itself and denounces it by invoking an alternative world. Here actors 'substitute for the current test another one relevant in another world' (Boltanski and Thévenot 1999: 373). This 'existential test' challenges established order or reality. The dispute is thus no longer about designing the current situation or test to be fair, but about which good and subsequent new test should be applied to the situation in the first place.

In disputes these worlds are not neatly separated. Rather, claims are often simultaneously based on plural social goods (Patriotta, Gond and Schultz 2011). So for example, environmental claims often refer to traditions of land use (domestic), societal welfare (civic), efficient use of resources (industrial) and so forth (Thévenot, Moody and Lafaye 2000). For example, studies of 'sustainable consumption' have demonstrated how various orders of worth compete with a 'green' or environmental convention (Evans 2011, Scerri and Magee 2012). Similarly, in examining how businesses have responded to the social discourse surrounding climate change, Nyberg and Wright (2012) illustrate how corporations employ a range of justifications to legitimize corporate activities. Indeed, Latour (1998) questions the green order of worth itself, in suggesting that most green justifications are based on human welfare and may more accurately belong to the civic sphere. Jamison's (2001) historical analysis of environmental politics outlines this shift from the protection of nature as an external non-human realm, to integrating environmental concerns into civic and economical spheres most commonly through the market solutions of 'ecological modernization'.

With the greening of societies, corporations often face criticism of their activities resulting in different forms of disputes between plural goods. Ending these disputes then requires actors to either i) purify the reality test's material arrangement and justification by producing *one* test that better invokes *one* world, or ii) providing compromises between the clashing worlds (Boltanski and Thévenot 2006). In terms of purifying the reality test in responding to criticism internal to a world, the test could be recalibrated to more accurately evaluate the situation according to that world. For example, any green claims could be removed from a product in testing whether it is competitive, and thereby purify the test within the world of the market. In responding to criticism external to a world, purification of the situation could employ a new test that evaluates environmental friendliness (instead of competitiveness), or, more likely, denounce environmental criticism by, for example, moving to a country with minimal environmental regulation and risk of criticism.

By contrast, the use of *compromise* as a second form of response to criticism, requires 'people to agree to come to terms, that is, to suspend a clash – a dispute involving more than one world – without settling it through recourse to a test in just one of the worlds' (Boltanski and Thévenot 2006: 277). Compromise therefore involves a temporary agreement between conflicting worlds without trying to clarify the orders of worth disputing parties base their arguments on (Boltanski and Thévenot 1999, 2006). Within Boltanski and Thévenot's (2006: 277) conception of compromise, the dispute is upheld without agreement about *a* common good. Yet, unlike private arrangements, compromise requires that competing social goods are not lost sight of and are accommodated. This has been developed further by Stark (2009), who suggests that such compromise can be a positive development in increasing coordination in the organization and providing a basis for entrepreneurship in exploiting the overlap between worlds. This makes the product or service compatible to plural worlds by ensuring that is satisfies the tests in for example *both* the market and the green world. For instance, new products or services, such as, 'green' cars or carbon offsets, aim at transcending the worlds and making them compatible to both.

However, while more recent contributions by Boltanski (2011), Boltanski and Chiapello (2005) and Thévenot (2009) have recognized that compromise results in the market world subjugating other worlds, the processes through which this occurs are less clear. We are thus interested in the situational and pragmatic notion of 'compromise' where parties recognize the need to compromise, not necessarily between each other, but between different legitimate social goods or local arrangements. Our emphasis is to understand the empirical process of *how* other spheres are incorporated into the market (Fourcade 2011). That is how, through the cyclical process of criticism and compromise, the environment (in combination with justifications from other spheres) is reconstructed into a tool for profit.

Research method

In exploring how the environment is compromised through corporate activities, we draw on a broader study of corporate environmentalism which involved detailed analysis of interviews and documentary sources from the sustainability functions of major Australian and global companies. Our data collection involved detailed semi-structured interviews with 36 sustainability managers and consultants from a range of Australian and global companies (see Table I), where we asked them about their work in promoting environmental sustainability in their organizations. These actors were chosen *because*

Table I: *Interview and documentary data*

Industry sector	Interviews	Companies	Documents
Mining	7	Mining and oil processing (5)	Sustainability and annual reports 2008–2010; carbon pollution reduction scheme (CPRS) submissions; shareholder briefings; climate change presentations and policy documents
Manufacturing	3	Food and automotive manufacturing (3)	Sustainability reports 2008–2010; CPRS submissions; climate change statement of approach and policy outlines.
Energy	2	Electricity and gas company (1)	Sustainability reports 2008–2010; CPRS submissions; strategy and GHG policy documents.
Retail	1	Supermarket and general retailer (1)	Corporate responsibility reports 2008–2010; industry association CPRS submission; climate change policy statements.
Transport & Storage	3	Airlines and transport/ logistics (3)	Sustainability reports 2008–2009; CPRS submissions; carbon offset policy; environment and climate change statements.
Finance & Insurance	6	Funds management, banking and insurance (4)	Sustainability reports, 2008–2010; CPRS submissions; financing sustainable energy business principles, climate change policies
Property	4	Commercial and residential property development (3)	Sustainability and annual reports 2008–2010; CPRS submissions; climate change and energy statements.
Business Services	7	Consulting and auditing practices (4)	Sustainability reports 2008–9; CPRS submissions; climate change risks and opportunities report; company vision and values statement.
Media and communications	3	Media and news organisation (1)	CPRS submission; CEO climate change statement; energy reduction plans 2009–2011; company energy initiative.
Total	36	25 companies	

they were situated where much of the criticism of both the market and the environment occurs, where compromises are negotiated, and where the outcomes of compromise are promoted and evaluated.

We targeted representatives from leading corporations from a cross-section of industries. This sampling maximized the potential for a diverse set of arguments for engaging with sustainability and findings that were analytically generalizable. The rationale for choosing large corporations was that their size and complexity involves the specialization of environmental sustainability through designated roles and functions (e.g., sustainability manager, energy and environment director, climate change adviser). Hence, we deliberately sought out organizations and managers with developed motivations to engage with environmental sustainability. The interviews lasted between 50 and 120 minutes and were recorded and fully transcribed for later analysis. Building upon our interview sample, we also collected a variety of documentary data from each of these organizations detailing environmental sustainability practices. These included corporate sustainability reports, policy documents, and carbon emissions reporting. In addition, we included publicly available corporate submissions to government which presented the companies' public stance in relation to a proposed carbon pollution reduction scheme which the Australian Government intended to introduce.

We began our data analysis by identifying the reasons articulated for engaging in environmental activities. Here, we found a range of rationales and through a process of open coding these were identified around common terms such as 'business case', 'doing good', 'save the planet', 'passion for the environment'. Our interviewees were to various degrees concerned about the environment, although also aware of the need to compromise between the social goods of the market and the environment (see Table II). It was out of this diversity of justifications, and the potential conflict between them, that we chose to engage with the concept of pluralism of social goods (Boltanski and Thévenot 2006; Walzer 1983). Thus, our theoretical use of the concept of social goods followed from our initial empirical analysis of the complex justifications managers and consultants provided in explaining why they engaged in environmental activities.

Of interest for us in this article, was how respondents solved disputes between different valued goods affected by organizational activities (for example, the conflict between the environment as something innately valuable, and the business need to harm that environment through resource extraction or depletion). Our analysis of the data suggested that actors ultimately engaged in compromises between the articulated common goods in order to make sense of their own situation as well as comply with broader organizational requirements. From the empirical material, we distinguished these processes by drawing on examples from our data and exploring the different forms of criticism that compromises could generate, as well as subsequent stages of purification and further compromise.

Enacting corporate environmental sustainability through compromise

The environment as a social good featured prominently amongst the organizations and the managers we studied, often aligned to a broader civic worth of national or societal interest. This was particularly evident in the context of growing public debate surrounding climate change and carbon regulation (Pietsch and McAllister 2010). Within the corporations we studied, the environment featured prominently in sustainability reports and company documentation, often accompanied by evocative images of forests, oceans and

Table II: *Examples of data coding for orders of worth and critique*

Coding	Description	Examples
Green world	Individual and organizational statements of the social good of the environment	'I want to be able to leave a legacy . . . so that maybe not my kids but my kids' kids can still see the sun, can still see birds flying.' (Patrick, airline industry) '. . . my very earliest motivations for studying environmental science and for working in the industry has been to make the world a better place and to be a part of the solution.' (Alec, resources company) '(FinCo) has been tackling environmental issues for over 15 years, reducing our own footprint, and more recently contributing to the awareness and understanding of climate change. But there is still a long way to go.'
Market world	Individual and organizational statements of the social good of the market	'Well, I think any good business which adopts this does it for the right reason . . . is it going to make the business more viable and more profitable in the future?' (Terry, accounting practice) '. . . and the opportunity here is for us to build new businesses out of a new carbon economy.' (Trevor) '(EnergyCo) has positioned itself to maximize shareholder value in an emissions trading environment.'
Internal critique	Criticism from within the market world that environmental practices are distractions from the test of competitiveness.	'So you can probably run round and wax lyrical about electric vehicles or something but there's not much money to be made in that.' (Terry) 'I don't believe that companies really act out of any sense of obligation that they're making money and therefore they should be giving back to community. The Corporations Act is quite clear about what company officers are supposed to be doing.' (Reg, sustainability consultancy) '. . . but really your standard recalcitrant response is, so is it going to save my client money?' (Alan, engineering firm)
External critique	Criticism from the green world arguing that organizations harm the environment and should change their practices.	'We converted our fleet cars to Prius and caused all manner of outrage on the intranet blog . . . it wasn't green enough or it was the car that you buy when you seem to be green, not when you really are' (Angie, financial services) 'In the media in the last year or so, there has been this focus on airlines and carbon emissions impact on the stratosphere . . . You get in a cab in Europe and you'll see noticeboards talking about the evils of aviation.' (Patrick) 'I guess we also have to be the voice of the environment which can't speak, that sends a signal that it can't speak as well. So sometimes decisions are made and those considerations aren't there and we've got to be the ones who stand up and say no!' (Barry)

landscapes and testimonials from employees about the importance of the environment to their professional and personal lives. Engagement with environmental issues had even led managers to change careers and reconsider their personal values. Their role as environmental or sustainability managers was seen as involving not only an allegiance to their employer and its shareholders, but also a concern for the environment and society. As Anne, a sustainability manager in an insurance company explained of her job:

> . . . it's really getting the organization itself to think about what are the social and environmental issues that are relevant to us as a business because that, to me, is where this stuff is really exciting.

However, while companies and individuals expressed a keen interest in the environment, they also recognized the constraints they faced in challenging business practices which exacerbated ecological degradation. As Reg, a director of a sustainability consultancy, acknowledged:

> How do you act as a consultant to make a business healthy? And again it always comes down to that optimum point. You want them to be as sustainable as they can be. But you don't want them to shut down their operation . . . There's no simple path through this.

As a result, compromise between the competing social goods of the market and the environment was a necessary feature of the daily work activities of these individuals, and was also expressed at an organizational level in response to criticism from shareholders, employees, the media and NGOs.

The following empirical sections outline how a situation is criticized either internally or externally to the world, and how this criticism is followed by compromise and a temporary settlement. However, this new settlement may then again be criticized either internally or externally to the involved worlds, resulting in a further process of compromise or purification. Compromises can never be settled or fully satisfied; they are always fragile and open to criticism, since they are not constitutive of a single order of worth (Boltanski and Thévenot 2006). We thus envisage a continuous process of temporary settlement, criticism and compromise in which organizational practices are continuously negotiated and enacted.

Compromises between the market and the environment

While criticism of corporate environmental activities could be resolved through the purification of reality tests and the removal of environmental claims, a more likely response was to engage in compromise. This involved developing new roles, products and services, to fit the social worlds of *both* the market and environment, i.e., making subjects, objects or concepts compatible to more than one world and responding to two different types of test. Examples included new roles and functions, such as environmental or sustainability managers and departments; green products and services, such as hybrid and electric cars, green renewable energy, 'carbon friendly' beverages; and practices such as green culture change initiatives, energy efficiency programmes, and the branding and marketing of the company as an environmentally aware and responsible organization. These practices, products and services were then altered to continuously respond to criticism from both the test of the market (whether the product was competitive) *and* the green world (whether the product was environmentally friendly). These tests also frequently included strands of other justifications such as, civic (following regulations and addressing societal welfare), opinion (public support and recognition of corporate activities), and inspired (how company initiatives engendered passion and emotions) orders of worth (see Nyberg and Wright 2012).

A widespread example in our data was the development and use of different renewable energy sources. For example, in building and property development, environmental sustainability initiatives such as solar power or trigeneration were presented to customers and shareholders as environmentally positive as well as benefiting business through reduced costs and increased profit. In manufacturing, managers outlined how their companies had redesigned their production processes and supply chains for a world of increasing energy costs and limited natural resources. In the mining and resources industry, the compromise was highlighted in the, yet to be realized, promise of carbon capture and storage (CCS) technologies. Here companies stressed how their investment in the development of CCS was '. . . the key to unlocking an environmentally friendly future for all fossil fuels.; (MineCo B, Climate Change Position 2010: 2), such that the conflict between reducing greenhouse gas (GHG) emissions *and* mining revenues could both be satisfied. As Ric, a senior coal industry manager outlined:

> The technology (CCS) is about addressing this problem. I mean, what else can you do? I mean, other than, restructure our economy to be a low-carbon economy right now and turn a lot of things off, basically. That is the challenge to deliver the environmental outcome in a way that's economically doable and sensible.

Such a 'bottom-line' contribution could take many forms and was characterized within the concept of the 'business case'; a term that was used extensively to denote the profitable rationale for environmental initiatives. Hence, our interviewees spoke about how environmental practices reduced operating costs or waste. In industrial settings, managers recited the dollars per working hour saved through the recycling of waste, the use of low-energy lighting, or the redesign of production operations that cut down on costly inputs: 'Addressing climate change is good business practice. We will improve the bottom line by cutting energy costs and investing in renewable resources' (MediaCo, CEO's Letter: 1).

These types of positive messages were common features of the documents we analysed, as well as within our interviews. By keeping plural worlds in play, sustainability managers exploited new opportunities to increase profits. The 'business case' was thus a rhetoric which environmentally-conscious managers used in their daily work to convince more sceptical and resistant colleagues of the need for pro-environmental initiatives. The incorporation of the environment was thus based on a range of justifications from plural orders of worth, including the industrial world and the world of opinion:

> The business case takes many forms. It's often about brand health, brand strength. It's about efficiency, resource efficiency, energy efficiency. That's what we would describe as the 'low hanging fruit' is reduce your energy and waste. (Reg)

Indeed, concepts such as 'sustainability' were used to convey the idea of a compromise and that corporations were responding to environmental criticism. However, the meaning of these words was often altered to align with the interest of the corporation, rather than the environment. Hence, sustainability was not only about the next financial quarter, but ensuring that the organization built in a capacity to endure a range of threats. As Trevor, the Group Sustainability Manager for a major construction and mining company, argued sustainability was about developing a 'long lasting organization . . . one that continues to perform at high levels'. Sustainability was thus disconnected from a broader concept of the environment by defining particular areas of interest for the business organization. In the finance and insurance industry for example, sustainability was framed around 'resilience and risk'. In contrast, in food manufacturing sustainability was about 'water usage'. As Barry, the sustainability manager at a global food manufacturer outlined, sustainability focused on changing irrigation patterns and the relocation of food processing facilities:

> I mean in our global *Creating Share Value* reports released last week, we had a case study about tomatoes . . . we've seen shifts in the climate impacting upon the availability of tomatoes in this area so threatening the factory.

The compromise of sustainability was thus connected to the specific organizational and material arrangements and evaluated according to new reality tests. In the food manufacturing company above, a specialist 'Water Stress Index' was developed in order to plan the location of factories and evaluate the sustainability of existing facilities. In the finance industry, a de facto 'price for carbon' was developed to assess business lending risk, highlighting the linkage between the market world of profitability and an assessment of environmental impact. Another common form of test involved the voluntary reporting of a company's sustainability, often in combination with more traditional financial reporting. Such initiatives were driven by external criticism of the corporate contribution to climate change, as well as growing shareholder interest in non-financial measures of corporate performance (Bebbington, Larrinaga and Moneva 2008). Annual sustainability reports included detailed analysis of carbon emissions, broken down by source of business activity, and compared to emissions reduction targets over time. These figures were often presented with other measures such as water usage, recycling, and in some cases biodiversity, as a test of each company's environmental (and simultaneously financial) sustainability. As Alec, a sustainability manager in a major resource company, outlined of the rationale of such reporting:

> A financial report won't tell you whether they've got assets that are spilling oil into the environment, it won't tell you whether they're looking after their employees with fair and equitable wages, or whether they've got a good gender balance within their organization, whereas the sustainability balanced scorecard will describe to you all of that management performance.

Criticism, purification and renewed compromise

However, compromise was at best a temporary resolution of competing social worlds and was subject to continued criticism, adaptation and refinement. This occurred both through the external criticism of environmental harm, as well as internal criticism which questioned the merits of environmental practices within the market. These criticisms were then, in turn, responded to by either purification or a new compromise.

Accusations of 'greenwashing' provide a good example of *external criticism* in that critics often viewed corporate practices as largely symbolic and failing to deal with the underlying conflict between business growth and environmental degradation. Hence Terry, a partner in a major accounting practice was scathing of supposedly compatible practices, such as carbon off-sets:

> I mean, I would never go flying carbon neutral because what they do is they collect that money, they go out and they buy it off an organization who then goes and plants a tree in whoop-whoop . . . Well, who's giving me the guarantee for spending my money that in 25 years time that tree is going to be there? So I just don't believe it. It's rubbish.

Responding to external criticism of their practices, corporations could try to purify the situation by, for example, removing a criticized product or activity, or by providing a new (and better) compromise that is seen to be more environmentally friendly. For instance, the criticism from environmentalists that bio-fuels resulted in deforestation and food shortages had led to the promotion of 'second-generation' bio-fuels. Using non-food based crops such as algae, these new bio-fuels were promoted as both more environmentally sound and also offering economic competitiveness for industries such as airlines looking for more cost-efficient sources of jet fuel (CSIRO 2011). In a similar vein, Barry outlined how his food company's use of 'sustainable' palm oil had evolved in response to an influential social media campaign by NGOs addressing both environmental and civic concerns:

> . . . because all of us want the same outcome. I mean we don't want to be destroying orang-utans and we think that de-forestation is terrible. Palm oil

> though is an important ingredient in many products around the world. Its production supports many communities in poor rural areas. So yes we have committed going forward to using certificates and globally by 2015 there should be enough sustainable palm oil available to meet our needs and that of others in the industry.

Internal criticism, on the other hand, was built on the detection of faults or flaws in the claim that the practices, products or services were maximizing profits. From this perspective compatible practices were seen as not sufficiently attuned to business goals. Responding to this criticism often involved adaptations of formerly compatible practices, roles, products and services, such that they satisfied only one type of test: competitiveness. Hence, Sally, a sustainability manager in a major insurer related how critics of her role rejected the proposition of corporate environmentalism:

> This is all about the shareholder return and the directors' fiduciary duties and the executives' duties to the directors and to the shareholders is quite clear and mucking around in sustainability things for society is not the work of companies.

Environmental compromises were therefore undermined by the increasing demands of the market test. For example, despite early confidence in its 'ambitious' carbon emissions reduction target of 40 per cent by 2015, RetailCo noted how the expansion of its business had now made this target 'difficult to deliver'. This had occurred in spite of its investment in energy saving refrigerators and new sustainable retail outlets (RetailCo, 2010 Sustainability Report). Here, the reality test for sustainability leading to emissions reductions and improved financial performance, was adapted such that the test of financial performance predominated.

In these cases, previous reality tests which sought to combine environmental and economic well-being were being recalibrated. Indeed, the demands of business growth highlighted the futility of emissions reduction programmes as a viable organizational response:

> Our goal is to get more customers which means we're selling more energy. So that kind of emissions reduction target isn't actually the most effective way that we can contribute to dealing with climate change. (Christine, energy company)

In these situations, the previously sought compromise of values appeared futile. The environment therefore became further discounted in newly re-arranged tests.

Discussion: compromises and criticisms

Clearly, the sphere of the market occupies a dominant role within neo-liberal society, and within business corporations in particular, social goods are often measured largely in terms of profitability and shareholder return (Harvey 2003). For many critics therefore, corporate responses to environmental concerns represent a process of accommodation and political struggle in which companies seek to maintain their autonomy through the incorporation of the environment on their terms (Banerjee 2008). Arguably, the continued legitimacy of corporations is dependent on incorporating other social goods into the market sphere (Boltanski and Chiapello 2005). While we acknowledge the hegemony of the market with regard to corporate environmentalism, our interest in this paper has been to explore in greater depth the process of compromise through which the market subjugates the environment. Our study has explored how managers and their organizations make sense of these competing social goods in their daily activities, as well as unpack the process of empirically grounded criticism directed at the temporary settlements of organizational sustainability.

The creation of compromise sought to span plural worlds by calibrating old or developing new roles, practices, products and services which could be justified within both market and environmental worlds. Indeed, compromise attempted to make spheres complementary by instituting initiatives which were intended to improve plural spheres. In our study, an example of this compromise was the 'win-win' scenario of improved environmental outcomes through carbon emission reductions or new 'green' products leading to reduced costs or increased revenues. However, in this compromise actors acknowledged that the promotion of the environment could *only* occur where such practices promoted the good of the market. There was thus no space here for a diminution of profit or reductions in company growth. Indeed, the rhetoric of corporate environmentalism as a 'win-win' process conveyed the idea that the market and the environment are compatible. Compromises thus deny the incommensurability of goods.

To uphold the illusion of 'real' compromise, corporations engaged in creating new concepts such as 'sustainability' and subsequent *reality tests* within which corporate practices could be evaluated in response to criticism. The fragile compromise of 'sustainability' was strengthened and consolidated through large scale investments, committees with senior managers, expensive evaluations conducted by accounting firms, and global institutions (Lohmann 2009). The compromise was supported by material arrangements in the form of environmental or sustainability managers instead of environmentalists; evaluated and tested according to corporate sustainability instead of environmental well-being or biodiversity; and the proof shifted from the maintenance of the ecosystem to the continuation of the capitalist system. The construction of sustainability thus neutralized critique and opposition by incorporating the good of the environment within the primary goal of increasing the bottom line. In this process, corporations, and capitalism in general, 'incorporate some of the values in whose name it was criticized' (Boltanski and Chiapello 2005: 28).

However, compromises were often subject to further criticism, purification and on-going 'justification work' by organizational actors (Jagd 2011). Hence, while sustainability managers can be seen as responses to criticism and a form of compromise themselves, they were also given the authority to criticize their own organization in relation to the environment or, alternatively, support sustainability as the new established order of worth. It was in this 'friction' between values that managers proved their worth in the organization through disrupting and questioning taken-for-granted assumptions and practices (Stark 2009). By connecting ideas of sustainability with the market, they took part in developing new practices, products and services that made money for their companies. Such justification work can thus be seen as an illustration of entrepreneurship and how companies change through rethinking organizational practices and assumptions (Stark 2009).

The interviewed managers were well aware of the criticism that compromise promoted, whether it was the criticism of 'greenwashing' or the view that sustainability initiatives impeded profitability. Indeed, the politics of compromise was something that our respondents pondered long and hard over. The 'magic' of compromise in the hegemonic process of turning the environment into a business opportunity was presented as a pragmatic action. Most of our respondents expressed a concern and passion for the environment. Somewhat ironically then, the individuals within the business organization who were the most environmentally attuned were often those most engaged in compromising the environment. Here, individuals accepted, albeit sometimes grudgingly, that their role involved the politics of 'dirty hands' and the impossibility of governing innocently (Walzer 1973). We can see this as a form of Machiavellian 'noble corruption' (Coady 2008: 91): 'when the act accuses, the result excuses' (Machiavelli cited in Walzer 1973: 175). This involved recognition that in seeking to prevent environmental harm, short-term compromise of the environmental good was often necessary. Some actors even went further in an Orwellian description of their activities based on the ends pursued (Lukes 1991); the implication being that they continue to pollute the environment in order to save it. For example, Ric a senior coal industry executive, argued that mining and selling more coal was necessary in order to provide an economic foundation for the long term switch to a low-carbon economy. This may, of course, be an indication of the success of the capitalist market in incorporating critique and transforming itself in continuing waves of creative (and environmental) destruction (Harvey 1982).

Beyond stabilizing the market through the resolution of disagreements (Biggart and Beamish 2003), the compromise of alternative conventions assists the further domination of the market by validating the market mechanism and depoliticizing political activities. First, in validating the market solution to environmental disputes, compromises change objects, subjects and concepts with the potential to reframe both the market and the environment. Broad scale corporate compromises are not independent applications of orders of worth, rather they change the understanding of these orders. Hence, the business sector is now considered a 'natural' guardian of the environment through 'ecological modernization' and partnerships with environmental NGOs as well as governmental authorities. For example, if an environmental NGO's activities are for sale to corporate sponsors, then the NGO runs the risk of undermining their independence as advocates for the environment, as well as under-cutting the altruism of public donations for the NGOs' activities. Hence, the compromising activities of creating compatible products or services for the market and another social good, risks 'crowding out' alternative forms of distribution and experiences of that good, much as was the case in the USA through the commercialization of blood donation which impeded traditional concepts of blood donation as a civic duty (Lukes 2005: 296). Giving blood when you can sell it can then be seen as rather naive (Jagd 2007). The success of corporate domination therefore is to shape the meaning of other goods in its own image (Walzer 1983).

Second, compromises are built on forms of consensus and the rejection of antagonistic positions. This has been illustrated through the failure of resistant environmental movements such as deep ecology, which in promoting the worth of nature in and of itself, lacked a concern for social or economic life (Jamison 2001). Such movements were seen as idealistic because they refused to compromise with other forms of valuation. In contrast, corporations can be seen as 'compromising devices' (Thévenot 2001: 410) *par excellence* and the expansion of the market is based on its endless capacity to reconcile competing orders of worth through the commercialization of goods. Market expansion is thus made possible by meeting criticism through compromise and avoiding futile political battles on its own terms.

Conclusion

The pluralist perspective adopted in this article provides new insights into corporations' voluntary and ambiguous sustainability initiatives. Rather than simply reinforcing the observation that the environment is often compromised within business, our analysis illustrates how the processes of compromise lead to the hegemony of the market and are enacted within organizations. Pluralism accounts for empirically 'grounded' criticism from actors as informed and concerned citizens which span several spheres of justice. It is only by taking these actors' environmental claims seriously that we can understand the mechanisms underlying the hegemony of the market. While the application of different orders of worth as sources of justification has been acknowledged within reviews of convention theory (Biggart and Beamish 2003, Jagd 2011), the process of compromise between these social goods has remained opaque. Our analysis provides conceptual insight into how such a compromise process occurs and also how critique leads to on-going stages of compromise. Indeed, our focus on compromise could well be applied to other social goods and settings. For example, the recasting of the social good of education to an increasingly market-based concern, as evidenced through the transformation of students into 'customers' and the 'managerialization' of educational delivery (Slaughter and Rhoades 2004), highlights a further empirical site rich in examples of compromise.

In the introduction we provided the example of how the UK government was seeking to reframe nature as a market commodity. Our empirical material further illustrates how corporations expand the principles of the market world into the environment in order to avoid regulation and secure economic growth. A key question then is whether this continued expansion of the market can be met with a counter-movement of protection and conservation of nature through legislation (see Polanyi 1957), particularly since the state itself has become usurped within a model of market rationalism (Boltanski 2011)? An early example within the environmental movement for protecting the environment was Stone's (1974) argument in *Should Trees Have Standing?* Here, Stone argued that entities such as forests, oceans, and rivers, along with 'the natural environment as a whole', should be protected through inclusion in the civic sphere by being granted legal rights similar to those of its citizens. These rights, he suggested, could be represented in court in a similar fashion to lawyers representing the rights of another silent, but clearly heard subject; the corporation. Stone's claim failed due to a lack of 'grounded' understanding in the community; 'rights for natural objects proved too strange (unnatural?)' (Jasanoff 2010: 246).

However, a number of current examples suggest a growing recognition of the legal standing of nature. For instance, in New Zealand a tribunal recently recognized a river as a legal entity in an agreement signed between Whanganui River iwi and the Crown. Here, the river was seen to have the same legal rights and interests that a company enjoys (Shuttleworth 2012). This echoes similar initiatives in Bolivia and Ecuador, where constitutional amendments have included specific rights for the environment (Burdon 2011). Irrespective of their practical impact, these initiatives highlight the growing social awareness of environmental destruction and the need for civic control over the excesses of market capitalism. As the physical realities of climate change, ocean acidification and the decline of natural world become more profound, it seems likely that the conflict between the market and the environment will be a space of growing friction, criticism and compromise.

(Date accepted: February 2013)

Note

1. The authors would like to thank the editors and the anonymous reviewers for their constructive and helpful comments in revising this article for publication. Research for this article was funded by Australian Research Council Discovery Grant DP110104066. Authors are listed in alphabetical order.

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