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**Response of TUAC to the UNEP Industry Sector Reports:
Advertising**

CAVEAT

The following report is based on information obtainable by the author during the course of research and writing. Attempts have been made to obtain input from appropriate labour groups. However, it is important to note that there may be relevant policy documents and points of view not represented here. This document is subject to change as additional input may be forthcoming. Please ensure that you are reading the most recent version. Therefore this report should be considered an introduction to trade union thinking on these issues rather than a final or complete position.

INTRODUCTION

The Trade Union Advisory Committee (TUAC) to the Organisation for Economic Cooperation and Development (OECD) along with the International Confederation of Free Trade Unions (ICFTU) welcome this opportunity to provide our response to the Industry Sector Reports being prepared by international industry associations under the auspices of the United Nations Environment Program (UNEP); Division of Technology, Industry, and Economics.

When seeking information on the sustainability of any industry, it is important to remember that the input from industry management and industry associations is only one-half of the story - the owners' part. Workers, through the unions which represent them, are able to complete the picture.

Business hopes to ensure that its positive contributions to sustainability are appropriately recognized. Trade unions, as part of both "industry" and civil society, acknowledge that in many cases, industries and sectors have made important progress in the areas of technology development and technology transfer, environmental management systems and tools, and voluntary initiatives.

However, there are many unfulfilled past promises, and complex future challenges for industry. These are neither uniform between industry sectors, between nations, nor even within single nations and industry sectors.

LABOUR'S VIEW OF SUSTAINABLE DEVELOPMENT

The simplest definition of sustainable development states that we must meet the "needs" of today's generation without sacrificing the ability of future generations to meet their needs. This simple definition becomes more complex upon examination of the word "needs". "Needs" does not just mean environmental or economic concerns, which is a common misinterpretation, but includes environmental, economic, and social concerns.

The concept of "sustainable development" has proven to be difficult for many people to fully understand. Perhaps that is because it requires integrative rather than compartmentalized thinking, and is not well adapted to explanation in five-second media "sound bites". Environmental, economic and social concerns must be addressed simultaneously. Very simply: if we fail to protect the environment we will have no jobs, no communities, and no future; but if we attempt to impose environmental solutions that ignore economic and social realities, we will face disaster of a different sort. Practitioners of the scientific professions, for example, need to occasionally put aside their technical and scientific training and reflect upon the broader consequences of what they do.

The first objective along the path towards sustainability will be to integrate consideration of all environmental, economic, and social impacts into all of society's decisions; whether these take place within governments, corporate boardrooms, or other institutions of civil society. Reaching this objective will in turn require a review of decision-making processes (particularly the application of consensus-building as a decision-making tool in settings that previously have neither acknowledged consensus-building as a need nor an opportunity). It may even require a complete reconstruction of many existing institutions, structures, and decision making methods – some of which are quite resistant to change. Finally, the integration of environmental, economic, and social thought into those decision-making processes will necessitate the utilization of human knowledge from the widest possible range of sources and across the widest possible range of disciplines.

Environmental, social, and economic concerns are frequently described as "the three pillars of sustainability". While this is a useful analogy in the sense of acknowledging the requirement for each to ensure the stability of the whole, it is also problematic. Pillars are very solid and distinct objects. Perhaps a better image for a discussion of how to integrate these needs is that of three puddles of paint on a plate, slightly stirred. The interfaces (social-economic, social-environmental, environmental-economic) are blurred and indistinct, and there is great difficulty in separating one from the other. Not only that, but within each component exists a myriad of subsidiary interfaces.

Environmental non-governmental organizations (ENGOS) and business have significant expertise and are powerful advocates for the environmental and economic components of sustainability, respectively. Unions, too, have a particular expertise regarding the environment and the economy that differs from that of ENGOS and business. However, the social component of sustainability is the component that unions feel has been rather neglected in the debate; and coincidentally is the area in which we are most uniquely qualified. It falls therefore upon labour to speak up for social needs - as it has so often in the past.

As a minimum, trade unions believe that we can start addressing the social component of sustainability by promoting or developing, and fully implementing:

- the International Labour Organization (ILO) Core Labour Standards;
- the United Nations Universal Declaration of Human Rights;
- "Just Transition" programs (see explanation in following paragraph);
- The United Nations Secretary-General's "Global Compact" Initiative;
- Industry Voluntary Initiatives and Agreements

Of these five, "Just Transition" programs occupy a unique position within labour's view of sustainable development. Briefly, a "Just Transition" program ensures that the costs and benefits of moving towards a more sustainable future are shared fairly; and especially, that the workers, families and communities who rely on industries or activities dubbed "unsustainable" by society are protected during the transition to more sustainable activities. First and foremost, "Just Transition" programs are a necessary prerequisite to making any substantial progress on environmental issues. Secondly, the existence and quality of "Just Transition" programs are indicators of social sustainability.

Fairly standard and well accepted indicators of economic performance exist. Environmental indicators of various sorts have been proposed and there is an emerging consensus on at least the broader categories of what they are. Clearly, however, social indicators have been the poor relation in policy analysis.

Industry, broadly, has made progress in recognizing some of the environmental imperatives of sustainable development and integrating them into its economic decision-making. Labour applauds this progress and encourages its continuation but notes that the recognition and integration of social needs into corporate decision making has made far less progress.

Every industrial sector has its own particular challenges and concerns, with considerable variation between and within regions and sectors. Sustainability for any sector can only be achieved when each of those challenges and concerns is dealt with in a consensus-seeking, integrative fashion that attempts to balance the environmental, economic, and social imperatives of sustainability.

ADVERTISING

The advertising sector has an important role to play in moving society towards sustainability. Advertising's ability to not merely inform; but shape and create markets, can be a force for positive, or negative, change. The industry must recognize its power and act responsibly to support, rather than hinder, sustainable development.

The advertising sector has begun to recognize that the environmental impact of a product has marketing value. However, the sector has generally failed to understand that social sustainability is as important as environmental sustainability.

It is the role of advertising to inform and influence the "free-market" system. Advertisers can therefore be forgiven, somewhat, for tending to believe that the "market" can by itself become a system for achieving sustainability, without the use of regulatory power. Labour does not believe this to be the case. Market tools, marketing, and market influence should be viewed as complimentary to, and not as a replacement for, an appropriate legislative and regulatory framework. This framework, in turn, will not achieve its goal unless linked with a planned, structured transition towards sustainability that includes some justice for potentially displaced workers ("Just Transition").

It is very important from a sustainability point of view for the advertising industry to provide clear and accurate information. The industry has attempted to do this, and this has given rise to various sorts of "green labelling" or "ethical procurement" schemes and the like (hereafter referred to as "sustainability labelling"). Unfortunately, if consumers wish to know whether the product they are contemplating the purchase of contributes to social sustainability, or not, there is very little verifiable information available. One cannot tell by examining a product, for example, the conditions under which it was made. Therefore, while consumer education and sustainability labelling are important initiatives that the advertising industry should support, the industry should also remember that there are limits to what such initiatives can achieve.

However, if sustainability labelling schemes are to have their maximum potential in shaping the consumer market, there is a need to develop better indicators of environmental, and social, performance. This in turn will require a multistakeholder consensus process to avoid the development of "my expert is better than yours" type arguments.

Advertising in the year 2001 continues to promote a "more is better" morality. Products are introduced and promoted if they can be sold at a profit, not because of any societal or environmental good (or ill) they may create. Major and thoughtful changes to developed society's infrastructure would be required, for example, to wean developed nations from their dependency on private automobiles. This would require public policy decisions and the use of regulatory authority.

In the absence of any willingness to address such structural issues, a belief that we can "shop our way to sustainability" is rather naive.

Beyond the basic necessities of life, much of current industrial production is geared to supplying wants, rather than needs, of the populations of developed nations. Many of these wants are created and magnified by advertising and business propaganda. There is a general conviction that the desire for a product should necessarily follow the ability to make it, and this desire is fueled by advertising. Combining this belief with the profit motive, we find that decision making about new products is based on whether or not someone can make money on it, not on the usefulness of the product, its societal value, or its environmental impact. The key to achieving environmental sustainability, is to promote the idea that a sustainable economy (including a reasonably equitable mechanism for the distribution of wealth, such as access to decent employment), and sustainable communities, will drive global sustainability - from the grass roots up.

Decisions made by advertisers strongly affect consumer behaviour, and thus both corporate and governmental behaviours. This decision-making, traditionally done without regard to environmental and social impacts, is an instrument which can drive a broader movement towards sustainability. Unfortunately, there exist several reasons why this sector has not fulfilled its potential as a force for sustainable development. One of the most significant of these is the reluctance to question the ethics of providing advertising services for any and all clients – including the promotion of products which do not contribute to, or contribute negatively to, sustainability.

The advertising industry, like many other economic sectors, is contemplating or has adopted voluntary initiatives. As a tool to build consensus and forge professional codes of ethics for the behaviour of those working within the industry, this is all to the good. In addition to its own voluntary initiatives, advertising plays a role in the promotion of the voluntary initiatives of other industrial sectors. In order to properly address particular problems, there is a need to decide whether voluntary guidelines, codes of practice, or regulation is the most appropriate tool. Industry initiatives on environmental management, product policy, etc. and non-regulatory guidelines such as the chemical industry's "Responsible Care", or ISO14000, may help build a consensus on product stewardship. Advertising can play an important role in making these initiatives meaningful. However, voluntary initiatives can only be credible with an effective means of independent, third-party verification of performance, and can never entirely replace regulatory action. They complement, rather than replace it, much like the consensus in society that murder is wrong is necessary, but does not eliminate the need for laws against murder.

The advertising sector has a significant environmental footprint of its own, especially in respect of the many large office towers that are owned or primarily occupied by companies from this sector. However, when the potential for the advertising sector to be a driving force for sustainable development is discussed, it is generally their influence rather than their direct actions that are considered. While not having strong direct links to land, water and resource issues (with the exception of office towers, mentioned above) the advertising industries are very strongly connected to sustainability issues in an indirect sense.

Finally, advertising is by its nature more available for established industries with substantial financial resources than for industries that are new and relatively unknown. This can be a significant obstacle to change, and change is necessary to build a sustainable future.

CONCLUSION

The advertising industry is a unique industrial sector in that its greatest role in moving society towards sustainability is not in how it directly affects the environment but in how it presents the work of others.

Advertising is both an example of and a messenger for “business”. Industry, or business, will always be a high-profile target for environmentalists. That is because the defining institution of our age is the corporation; and in particular, the multinational corporation; who are also the world’s heaviest users of advertising. Corporations need to make every effort to improve their environmental performance while responding to the Global Compact challenge to play a major part in economic development. However, unless corporations pay greater attention to the social dimensions of sustainability, they will suffer from a loss of public support, and potential backlash, in the end.