

Oliver F. Williams  
July 2019  
Office Hours: At your request  
(Use e-mail to contact)  
E-mail: [Oliver.F.Williams.80@nd.edu](mailto:Oliver.F.Williams.80@nd.edu)

**THE UN GLOBAL COMPACT AND THE MOVEMENT TOWARD A SUSTAINABLE  
ECONOMY**

**Global Collaborative Summer Program (3 Credits)**

**Kyung Hee University**

**Seoul, Korea**

**July 8 to 26, 2019**

Take one look at the smog that hangs over the former Olympic host city Beijing and it becomes abundantly clear—globalization and economic expansion come at a price. Resource depletion, worker exploitation, pollution and corruption—this is the dark underbelly of globalization that has raised alarm bells around the world. Thankfully, more and more individuals and organizations are waking up to the social, environmental and ethical costs of a global marketplace and are making a sound business case for a new era of moral capitalism. Leading the way in this regard is the United Nations with its groundbreaking Global Compact initiative. Launched in 2000, the UN Global Compact (UNGC) as of January 2019 had more than 14,400 participants—including 9,900 businesses and 4,500 non-business participants in 160 countries around the world—making it the world’s largest voluntary corporate social responsibility project. The course will explore the meaning of sustainable development and how it might be realized through the UNGC and leaders in the public and private sectors.

**OBJECTIVES**

1. To introduce the student to sustainable development and to the United National Global Compact and why its focus on human rights, labor rights, environmental issues and corruption is so attractive to the many stakeholders of society.
2. To develop the ability to think clearly about how one integrates environmental, social and governance issues into corporate management.
3. To develop a sensitivity to the moral and ethical values that enable companies to restore public trust in business.
4. To understand how a number of companies are implementing the principles of the Global Compact by examining case studies.
5. To examine and understand the changing role of business in society.

## **BOOKS**

All the required articles for the course will all be given to you electronically. Optional is the book where many of the articles are from: *Sustainable Development* (Notre Dame, Indiana: University of Notre Dame Press, 2014). This book is designated by *SD* in the syllabus. Optional as well is *Corporate Social Responsibility: The Role of Business in Sustainable Development* (London: Routledge, 2014) by Oliver F. Williams. This book is designated by *CSR* in the syllabus.

## **REQUIREMENTS**

There will be two oral presentations by each group and one paper by each individual student. The final grade will be computed on the basis of class participation (20%), the two short oral presentations (40%) and the paper (40%).

### **Class Participation**

Besides attendance, effective class participation includes: listening skills; analysis ability; questions and comments; and, last but not least, a willingness to risk, testing new ideas.

### **Group Oral Presentations**

1. Each student will form a team, usually of three students. Each student team will select its first two choices of companies from the list of Communication on Progress Reports. Each class session, beginning Thursday, July 18, will have several presentations, about fifteen minutes long. These presentations should focus on how the company is addressing the ten principles of the Global Compact and advancing the sustainable development goals ([unglobalcompact.org](http://unglobalcompact.org)). Come to class on Wednesday, July 10, with your first and second choices for a company as well as the students working with you. The schedule for oral presentations will be distributed on Friday, July 12<sup>th</sup>.
2. Each team will select one session where they will summarize the readings listed for the day and present the answers to the questions listed for the session. The presentations should be about 15 minutes in length.

### **Individual Written Paper**

There is one individual written assignment which should be 5-7 pages in length, typed and double-spaced (40%). There are two options. Select one.

1. Read two articles: "Is the Compact Raising Corporate Responsibility Standards Working?" and "Are the UN Principles for Responsible Investment Working?" Based on our class readings and your reflection, formulate your answer to the articles. Incorporate key readings from the course. (Due in class on Tuesday, July 23).

OR

2. If there is some particular aspect of sustainable development or the UN Global Compact that you would like to reflect on, e-mail the instructor by Tuesday, July 16<sup>th</sup>.

## COMMUNICATIONS ON PROGRESS REPORTS

Note that there is a direct link to each company's Communication on Progress Report (sometimes called a corporate social responsibility report, a sustainability report, corporate citizenship report, etc.). The direct links can be accessed by going to the UN Global Compact website [www.unglobalcompact.org](http://www.unglobalcompact.org) and selecting "Communication in Progress."

## ADDITIONAL RESOURCES

In addition to readings listed for each class, the following resources from the UN Global Compact may be helpful. You can Google the title to access these publications or go through the Global Compact Website ([globalcompact@un.org](mailto:globalcompact@un.org)).

- UN Global Compact Annual Review – Anniversary Edition.
- A New Era of Sustainability: UN Global Compact-Accenture CEO Study 2010.
- United Nations Global Compact Local Network Report 2010.
- Role of Governments in Promoting Corporate Responsibility
- A Greener Tomorrow – How Caring for Climate Signatories are Leading the Way to a Low Carbon Economy.
- Moving Upwards: The Involvement of Boards of Directors in the UN Global Compact.
- Coming of Age: UN-Business Collaboration Since 2000.
- Innovating for a Brighter Future: The Role of Business in Achieving the MDGs.
- Global Compact Participants in Latin America and the Caribbean: Contribution to the Millennium Development Goals.

## Principles

- Women's Empowerment Principles – Equality Means Business.
- Principles for Social Investment (PSI).
- Launch of Process to Develop Children's Principles. [More Information](#).

## Tools & Guidance

- Blueprint for Corporate Sustainability Leadership within the Global Compact.
- UN Global Compact Management Model.
- A Global Compact for Development.
- Guidance on Responsible Business in Conflict-Affected and High-Risk Areas: A resource for Companies and Investors. ([English](#)), ([Chinese](#)).
- Supply Chain Sustainability: A Practical Guide for Continuous Improvement.
- Sustainable Supply Chains: Resources and Practices.
- Lawyers as Leaders: The Essential Role of Legal Counsel in Corporate Sustainability Agenda.
- An Introduction to Linkages between UN Global Compact Principles and ISO 26000 Core Subjects.
- The Global Compact Self-Assessment Tool. [Access Website](#).
- Global Compact Network Management Toolkit: Version 1.
- Human Rights and Business E-Learning Tool. [Access Website](#).
- Guide on How to Develop a Human Rights Policy.

- Human Rights and Business Dilemmas Forum. [Access Website.](#)
- The Labour Principles of the United Nations Global Compact: A Guide for Business
- Human Trafficking and Business: Good Practices to Prevent and Combat Human Trafficking.
- Environmental Stewardship Strategy – Overview and Resource for Corporate Leaders.
- Framework for Responsible Business Engagement with Water Policy.
- Low Carbon Leaders – Transformative Solutions for a Low-Carbon Future.
- Reporting Guidance on the 10<sup>th</sup> Principle Against Corruption.
- Fighting Corruption in the Supply Chain: A Guide for Customers and Suppliers.
- E-Learning Tool: Fighting Against Corruption.
- Collective Action – Building a Coalition Against Corruption.

### **Best Practices**

- Doing Business While Advancing Development and Peace.
- Dialogues on Integrating Human Rights – Testimonials by Business Leaders. [Access Website.](#)
- From Principles to Practice: The Role of SA8000 in Implementing the UN Global Compact.
- Implementing the United Nations Global Compact in China: Inspirational Case Examples.
- GRI and UN Global Compact Forge New Alliance. [More Information.](#)

*To obtain hard copies of any of these publications please contact: [globalcompact@un.org](mailto:globalcompact@un.org)*

*Please visit the [Tools and Resources](#) webpage to access all material issued by the Global Compact.*

## COURSE OUTLINE

The course will meet for 3 hours 15 times, from July 8<sup>th</sup> to July 26<sup>th</sup>. In addition to the sessions outlined below, there will be some outside speakers during regular class sessions from major institutions involved with the Global Compact and sustainable development. **Speakers include: Ambassador Im Hong-Jae; Ambassdor Suk-bum Park, Secretary-General & Vice President, United Nations Global Compact Korean Network; Ms. Angela Joo-Hyun Kang, President of the Global Competitiveness Empowerment Forum; and Professor Stephen Yong-Seung Park, Professor of Business Management and Director of the Institute for Peace through Commerce, Kyung Hee University.**

### **Session 1: Monday, July 8—OVERVIEW OF SUSTAINABILITY AND THE PURPOSE OF THE CORPORATION**

- Reading:
1. “The Purpose of Business,” *CSR*, pp. 30-50.
  2. PowerPoint presentation on Global Compact.
  3. Speech of the Secretary-General to the WEF (January 29, 2009).
  4. M. Porter and M. Kramer, “Creating Shared Value,” at [www.hks.harvard.edu/m-rcbg/fellows/N\\_Lovegrove\\_Study\\_Group\\_1/Michael\\_Porter\\_Creating\\_Shared\\_Value.pdf](http://www.hks.harvard.edu/m-rcbg/fellows/N_Lovegrove_Study_Group_1/Michael_Porter_Creating_Shared_Value.pdf) (Or Google the article and authors).
- Questions:
5. *CSR* (p. 39) quotes as follows: “...in fact, the purpose of a business firm is not simply to make a profit, but is to be found in its very existence as a *community of persons* who in various ways are endeavoring to satisfy the basic needs, and who form a particular group at the service of the whole society.” Discuss other authors in this essay who agree with this position. Disagree. What is your position?
  6. What do Porter and Kramer see as the purpose of business?

### **Session 2: Tuesday, July 9—THE SUSTAINABILITY CHALLENGE: THE CONTEXT FOR THE GLOBAL COMPACT**

- Reading:
1. “Doing Good: Business and the Sustainability Challenge,” Economic Intelligence Unit of the *Economist*.
  2. “The Role of Business in Society: The Microsoft Vision,” *SD*, pp. 19-51.
- Questions:
3. What is sustainability?
  4. Discuss: “The social and environmental issues facing companies today are not going away—and are likely to involve a redefining of relations between business and society. This often involves fundamental political and even moral questions.” (“Doing Good,” p. 6).
  5. Discuss: “Sustainability is not, however, a checklist of activities. It

is a change in attitude that aligns financial, social and environmental goal” (“Doing Good”).

6. According to Daniel T. Boss of Microsoft, what is the business case for *CSR*?

### **Session 3: Wednesday, July 10—PRINCIPLES ONE AND TWO: HUMAN RIGHTS**

- Reading:
1. Human Rights, pp. 1-2.
  2. Principle One, pp. 1-4.
  3. Principle Two, pp. 1-2.
  4. Achieving the UN Millennium Development Goals: The Contribution of Novartis,” *SD*, pp. 117-139.
  5. UN Global Compact Note on Integrity Measures (4 pages).
  6. Business and Human Rights Resource Center Weekly Update (Newsletter), *Google*.

- Questions:
7. What is the purpose of the “Integrity Measures”?
  8. Discuss the UN Millennium Development Goals, the Millennium Village Project, and Why Novartis would become involved in these projects.
  9. Do motives for becoming involved matter?

### **Session 4: Thursday, July 11—PRINCIPLES THREE TO SIX: LABOR**

- Reading:
1. Labor, p. 1.
  2. Principle Three, pp. 1-2.
  3. Principle Four, pp. 1-2.
  4. Principle Five, pp. 1-2.
  5. Principle Six, pp. 1-3.
  6. “Employee Engagement through Social and Environmental Responsibility,” *SD*, pp. 311-323.

- Questions:
7. Discuss: “If we are truly to take the principles of the UNGC from being an agenda of the CEO to one that is implemented organization-wide, we need to understand how to engage our employees,” *SD*, p. 320.
  8. Discuss some of the programs that the company you are presenting is engaged in with regard to Principles 3 to 6 (From the Communicating on Progress Report).

**Session 5: Friday, July 12—PRINCIPLES SEVEN, EIGHT AND NINE: THE ENVIRONMENT (Note there is also an outside speaker).**

- Reading:
1. The Environment, pp. 1-2.
  2. Principle Seven, p. 1.
  3. Principles Eight, p. 1.
  4. Principle Nine, p. 1.
  5. “The UN Global Compact: Forum for Environmental Leadership,” *SD*, pp. 271-291.
- Question:
6. Discuss how the tools of environmental leadership are employed in two Global Compact learning network initiatives—Caring for Climate and the Environmental Stewardship Strategy (Reading #5).

**Session 6: Monday, July 15—BUSINESS AND HUMAN RIGHTS—SOME NEW CHALLENGES**

- Reading:
1. “Getting It Straight: Commercial Conflict Dependent Actors in Myanmar.”
- Questions:
2. What is a “commercial conflict dependent actor”?
  3. Has Total made ethical decisions while in Myanmar contributing to a sustainable development.

**Session 7: Tuesday, July 16—FURTHER REFLECTION ON HUMAN RIGHTS**

- Reading:
1. The UN Protect, Respect and Remedy Framework (John Ruggie), pp. 1-2.
  2. “The United Nations Global Compact and Human Rights: A Modest but Useful Niche,” *SD*, pp. 184-191.
  3. “Is the Global Compact Raising Corporate Responsibility Standards?”
  4. “The UN Guiding Principles on Business and Human Rights: Relationship to the UN Global Compact Commitments.”
- Question:
5. Discuss Reading #3. What is your position?

**Session 8: Wednesday, July 17—PRINCIPLE TEN: ANTI-CORRUPTION (Note there is also an outside speaker today).**

- Reading:
1. Reporting Guidance on the 10<sup>th</sup> Principle Against Corruption.
  2. Principle Ten, p. 1; p. 1-2.
  3. “Pursuing Purposeful Profit,” *SD*, pp. 292-310.
  4. Corruption Perception Index, Transparency International (2 pages).
- Question:
5. Discuss: “I am convinced that the greatest untapped profit opportunity available to business today is having a *purpose* that benefits both society and bottom line.” (Reading #3).

**Session 9: Thursday, July 18—DEVELOPING MICRO, SMALL, AND MEDIUM ENTERPRISES (MSMEs)**

- Reading: 1. “Doing Well by Doing Good—The Nestlé Way,” *SD*, pp. 94-104.
- Questions: 2. Discuss: “Through our creating shared value concept, we work directly with over 500,000 farmers to help them improve the quality and quantity of their produce and, as a result, increase their family income,” (Reading #1, p. 97).
3. In your view, should creating shared value (CSV) replace corporate social responsibility (CSR) today? Why? Why not?

**Session 10: Friday, July 19—CSR AS AN INSTRUMENT OF GLOBAL GOVERNANCE (Note there is also an outside speaker today).**

- Reading: 1. The Involvement of Boards of Directors in the UN Global Compact.
2. “Corporate Social Responsibility as an Instrument of Global Governance,” *CSR*, pp. 72-92.
3. PowerPoint – Restoring Public Trust in Business: The Crucial Role of Good Corporate Governance.
- Question: 4. What are some of the reasons for Board involvement in the UN Global Compact?
5. Explain how corporate social responsibility can be an instrument of global governance.

**Session 11: Monday, July 22—HOW THE GLOBAL COMPACT ENVISIONS MAKING THE WORLD A BETTER PLACE: THE CASE OF PETROCHINA**

- Reading: 1. PetroChina and the UN Global Compact, pp. 1-2.
2. Investors Against Genocide, pp. 1-2.
3. A Response from the UN Global Compact, pp. 1-2.
4. Letter of December 15, 2008 from Investors Against Genocide, pp. 1-6.
5. UN Global Compact Office Responds to NGO letter (January 12, 2009), pp. 1-3.
6. The Business Contribution to Peace and the Global Compact’s Engagement in Sudan, pp. 1-2.
7. Global Compact Board Meeting Report Now Available (July 24, 2009).
8. UN Global Compact Note on Integrity Measures (Review from Session 3).



- Questions: 9. What is the role of the UN Global Compact according to “Investors Against Genocide”? According to Georg Kell, Executive Director of the UNGC? According to the Global Compact Board Meeting of July 24, 2009?
10. What is your judgment on the matter?

**Session 12: Tuesday, July 23—WHERE DO WE GO FROM HERE?**

- Reading: 1. “Beyond Corporate Responsibility to the Common Good,” *SD*, pp. 369-387
2. “Moving from Incremental Progress Toward Transformational Action in Shaping an Inclusive and Sustainable Economy,” *CSR*, pp. 93-106.
- Questions: 3. Discuss: “The breadth and depth of the issues that abound in the world suggest that they are systemic, and must be dealt with by seeking root causes and fundamental issue.” (Reading #1, p. 369).
4. Summarize the reading from *CSR* (#2). The term spiritual values is used (p. 94). What does this mean?

**Session 13: Wednesday, July 24—SOME REFLECTION FROM THE DISCIPLINE OF PEACE STUDIES**

**PART A:**

- Reading: 1. “Business-NGO Collaboration on Peace Building,” *SD*, pp. 221-246.
- Question: 2. Discuss: “The success of the MDG project will depend in large part on its success in countries in conflict or at-risk of conflict,” *SD*, p. 222.

**PART B:**

- Reading: 1. “Brewing Security? Heineken’s Engagement with Commercial Conflict-Dependent Actors in the Eastern DRC.”
- Question: 2. What can we learn from Heineken’s engagement in the Eastern DRC?

**Session 14: Thursday, July 25—SUPPORTING THE WORK OF THE UN GLOBAL COMPACT (Note there is also an outside speaker today).**

- Reading:
1. “Do the Principles of Responsible Management Education Matter?” *SD*, pp. 351-360.
  2. The Principles for Responsible Management Education (PRME), *SD*, p. 354.
  3. “Investors Representing US \$3 Trillion Show Support for the Global Compact, While Stepping Up Pressure on CSR Reporting,” 13 pages.
  4. “Are the UN Principles for Responsible Investment Working?” (4 pages).
- Questions:
5. What are the strengths and weaknesses of the PRME according to Arvid Johnson (Reading #1)? Of the PRI? Is the PRI working?
  6. What are the strengths and weaknesses of the initiative of some PRI companies to police corporate responsibility reporting?

**Session 15: Friday, July 26—SOME UNRESOLVED ISSUES**

- Reading:
1. “How to Measure What Matters.”
  2. “GRI: Sinking or Swimming?”
  3. “Structuring the Global Marketplace: The Impact of the United Nations Global Compact.”
- Questions:
4. What is a materiality analysis? Give some examples.
  5. What is the GRI? Do you agree with Andy or Mallen? Why?
  6. What is Nason’s criticism of the Global Compact? Do you agree?