Commitments and Appeals to Make a Better World: The Global Compact, Laudato Si’ and our Future

James P. Walsh
University of Michigan

Angelo M. Solarino
University of Leeds

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Abstract

We live in a world of need. Business, as perhaps the most powerful transnational force in the world today, can either aggravate or attenuate that need. Recognizing such power, the United Nations launched the Global Compact in 2000 in an effort to change the way firms do business. The UN wants to ensure that a firm is as committed to those it touches with its many activities as it is to its bottom line. Pope Francis entered this world of aspiration in 2015 with his encyclical, Laudato Si’. Calling out the failings of a “might is right” world view, he worried that too many of the world’s powerful people have lost sight of their humanity. He begged us all to steer clear of the sin of indifference and to work for the common good. Taking stock of these efforts, we conclude that the dynamics of compassion fade and compassion fatigue can undermine our high aspirations. In the end, we propose a complementary initiative that just might serve as an antidote to indifference and help to make the world a better place.

Keywords: United Nations Global Compact, Laudato Si’, Corporate social responsibility, Compassion fade, Compassion fatigue

“The world cries out for repair.” Margolis and Walsh (2003: 268) began their paper entitled Misery Loves Companies with these words more than a dozen years ago. Looking at worldwide poverty, public health, and education statistics, they painted a picture of a world in need. Observing that corporate wealth and capability mark them as targets for appeal, they took stock of the possibility that corporate social responsibility investments might make the world a better place. While we have seen some progress (United Nations, 2015), the world still cries out for repair and yes, many in the world still hold out hope that business can make the world a better place.

As the United Nations’ fifteen-year commitment to its Millennium Development Goals (2000-2015) gives way to a new set of aspirations (the Sustainable Development Goals), we learn than 836 million people still live in extreme poverty, that women earn 24 percent less than men globally, that one in seven children in the world are underweight and one in ten primary-school-aged children do not attend school, that 2.1 million people each year are diagnosed with HIV, and that many species of animal life are dying out, marine fish stocks are plummeting, forests are disappearing, and carbon
dioxide levels in the atmosphere are increasing (United Nations, 2015). Debate about the role that business may play in both the creation and amelioration of these problems is complex and sometimes contentious. On the one hand, Porter and Stern (2015) tell us that the correlation between economic growth (GDP per capita) and social progress (assessing the foundations of well-being, opportunity, and the provision of basic human needs) in 133 countries is .78. Business activity may make the world a better place. On the other hand, business can also dominate, exploit, and degrade the lives of its many stakeholders (Adler, Forbes and Wilmott, 2007). Pope Francis (2015) leveled this charge as succinctly as anyone: “economic powers continue to justify the current global system where priority tends to be given to speculation and the pursuit of financial gain, which fail to take the context into account, let alone the effects on human dignity and the natural environment (56).” The challenge then is to beware this contradiction and work to ensure that we get the best from business while mitigating its worst excesses. Enter the United Nation’s Global Compact and Pope Francis’ encyclical letter, Laudato Si’.¹

The Global Compact and Laudato Si’

Launched in 2000, the United Nations Global Compact is an ambitious effort to change the way firms do business. Grounded in the belief that a corporation’s values guide its strategy and operations, the United Nations has worked tirelessly over the past 16 years to ensure that those values reflect a

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¹ The Millennium Development Goals (MDG) were formally adopted by the United Nations on September 18, 2000. Eight goals, brought to life with twenty-one targets and appraised by sixty indicators marked the world’s aspirations. The eight goals were to: (1) eradicate extreme poverty and hunger; (2) achieve universal primary education; (3) promote gender equality and empower women; (4) reduce child mortality; (5) improve maternal health; (6) combat HIV/AIDS, malaria and other diseases; (7) ensure environmental sustainability; and (8) develop a global partnership for development. Fifteen years later, Ban Ki-moon, the Secretary-General of the United Nations declared, “The global mobilization behind the Millennium Development Goals has produced the most successful anti-poverty movement in history.” The MDG aspirations can be found here http://www.un.org/sustainabledevelopment/sustainable-development-goals/; the 2015 report, with Ban Ki-moon’s words, can be found here http://www.un.org/millenniumgoals/2015_MDG_Report/pdf/MDG%202015%20rev%20(July%201).pdf.

Many successes notwithstanding, the United Nations recognized in 2015 that there was still work to be done. And so, on September 25, 2015 the UN voted to work toward achieving a new set of seventeen Sustainable Development Goals (SDG). One hundred sixty-nine targets, each tracked by approximately two indicators (the indicators are still being finalized) would help to ensure success. The UN’s own words best articulated their aspirations, “We resolve, between now and 2030, to end poverty and hunger everywhere; to combat inequalities within and among countries; to build peaceful, just and inclusive societies; to protect human rights and promote gender equality and the empowerment of women and girls; and to ensure the lasting protection of the planet and its natural resources. We resolve also to create conditions for sustainable, inclusive and sustained economic growth, shared prosperity and decent work for all, taking into account different levels of national development and capacities” https://sustainabledevelopment.un.org/post2015/transformingourworld. As laudatory and noteworthy as these international aspirations and commitments are, we are particularly interested in business and its role in making a better world. And so, while aware of the MDG and SDG initiatives and the fact that business can play a role in their realization, we will focus on the UN’s direct work with business entities here – the Global Compact.
commitment not just to a firm’s bottom line but also to those it touches with its many activities. Inspired by the Universal Declaration of Human Rights, the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption, it asks its member organizations to stand by ten principles as they do their business (principles that speak to human rights, labor, environment and anti-corruption). To join the Global Compact, firms’ CEOs must attest not only to their companies’ commitments to these principles but also with an annual “Communication on Progress,” to share annually their efforts, and the results of those efforts, to make a better world.\(^2\) They also enter a community of like-minded peers who are encouraged to gather regularly in one of many Global Compact Local Networks around the world to compare experiences and inspire each other do even better by their commitments. Table 1 captures these ten fundamental principles. Reflecting an interest in the program, if not necessarily a sustained interest, Figure 1 profiles the cumulative growth in the number of companies that affirmed these principles since the program’s inception (it does not account for those who dropped out).\(^3\) The effort appears to be as successful as it is ambitious.

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Pope Francis entered this world of aspiration in 2015. His encyclical, Laudato Si’, (or On Care for Our Common Home) can be read as a full-throated rebuke of how we live today. As we see from his quote above, he does not mince words. Asserting that “never have we so hurt and mistreated our common home as we have in the last two hundred years (53)” he goes on to say that “the earth, our home, is beginning to look more and more like an immense pile of filth (21).”\(^4\) He concluded, “the post-industrial period may well be remembered as one of the most irresponsible in history (165).” The good

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\(^2\) See [https://www.unglobalcompact.org/participation/report](https://www.unglobalcompact.org/participation/report) for a discussion of the reporting requirements and the opportunity to browse the over 28,000 Communication Progress reports submitted to date.

\(^3\) We would like to formally thank Ana Blanco and Georg Kell for providing access to their Global Compact data. All of the data pictured in Figures 1 – 4 come from their files.

\(^4\) Note that the convention in a Papal document is to reference the numbered paragraph that houses a quotation, and not a page number.
news is that he did more than name a problem; he tried to diagnosis its origins and in that light, offer solutions.

Animated by the same kinds of aspirations that fuel the Global Compact, he is interested in the role that the powerful play in our lives. Concerned about what he calls a “might is right” world view (82), he worries that too many of the world’s most powerful people may have lost sight of their humanity. He writes that such a vision “has engendered immense inequality, injustice and acts of violence against the majority of humanity, since resources end up in the hands of the first comer or the most powerful: the winner takes all. Completely at odds with this model are the ideals of harmony, justice, fraternity and peace as proposed by Jesus (82).” Foreshadowing his ideas about how to correct course, he argues that “once we lose our humility, and become enthralled with the possibility of limitless mastery over everything, we inevitably end up harming society and the environment (224).” He believes that our problems can be solved if we “hear both the cry of the earth and the cry of the poor (49).” Pope Francis wants to “enlighten those who possess power and money that they may avoid the sin of indifference, that they may love the common good, advance the weak, and care for this world in which we live (246).” His solutions range from a call for “a true world political authority (175)” that would promote good governance [i.e., “more rigorous regulations, procedures and controls (179)”] to encouraging the world’s citizens to lead more balanced lifestyles (225), lives marked by contemplative rest (237) and the ability to discover God in all things (233). He asks business people to “reject a magical conception of the market (190)” when considering investments and always and to ask if a “proposed activity will not cause serious harm to the environment or to those who inhabit it (186).” Well aware that people might be inclined to reject his ideas as “romantic illusions or an obstacle to be circumvented (54)” he notes that “nobody is suggesting a return to the Stone Age, but we do need to slow down and look at reality in a different way (114).” There is some evidence to suggest that his fear of rejection was unfounded. People listened.

With Pope Francis being one of the world’s most admired people at the time of the encyclical’s release (June 18, 2015), it is no surprise to learn that news of its publication was covered worldwide. Indeed, Factiva counted 629 media mentions by the end of June. A recent look at Google Scholar reveals that his words have already been cited more than 150 times. Just like his colleagues at the

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5 See https://yougov.co.uk/news/2015/01/30/most-admired-2015/ for a list of the world’s most admired people in 2015.

6 Quoting from Factiva’s webpage, we learn that “Factiva.com, from Dow Jones, combines over 36,000 sources to give students, faculty, and librarians access to premium content from 200 countries, in 28 languages. Users have access to a wide range of information from newspapers, newswires, industry publications, websites, company reports, and more.”
United Nations, it may well be that the Pope succeeded in fostering a conversation about values; he may have even changed some people’s values for humanity’s benefit.

Give their commonality of purpose, it is no surprise to learn that the United Nations asked the Pope to work with them in an open letter dated August 7, 2015:

Thus, upon visiting the United Nations in September, we humbly entreat Your Holiness to call directly upon business and financial markets to do more to care for our climate and our common home. We offer our support in convening further dialogue with the UN Global Compact’s diverse international network of business actors, civil society partners and labour organisations. In markets all over the world, we want to ensure that the encyclical is heard and the ethic of care it heralds is appreciated.  

Finding no evidence that the Vatican and the United Nations partnered in the way that the letter’s authors envisioned, the Vatican did, however, publicly acknowledge the receipt of the letter (on August 13, 2015). And while the Pope did not make much mention of the role of business and financial markets in his speech to the UN General Assembly the next month (on September 25th), he did say, “The baneful consequences of an irresponsible mismanagement of the global economy, guided only by ambition for wealth and power, must serve as a summons to a forthright reflection on man,” concluding, “the defense of the environment and the fight against exclusion demand that we recognize a moral law written into human nature itself.” Very consistent with his call for humility in Laudato Si’, he asserted that we must answer to someone or something beyond ourselves.

While Pope Francis appeals to the better nature of our angels, the United Nations offers organizations a path to make the world a better place. Working side-by-side if not hand-in-hand, the missions of the UN and the Vatican are clearly aligned. One might think that an effort led by a religion that counts more than 1.2 billion members and a government organization that speaks for nearly 200 countries is a grand success. Indeed, absent assessment, one can easily imagine that the world is now in very good hands. To paraphrase Pope Francis, we might believe that we are now free of the sin of indifference, that we now love the common good, advance the weak, and care for this world in which we live. Our goal here is to investigate this kind of inference. Unfortunately, taking a closer look at the reception of both the Global Compact and Laudato Si’, we conclude that we may need to redouble our efforts to realize the dream embedded in these works. We will close by offering a new idea that might well complement these two initiatives.

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7 The letter can be downloaded here: https://www.unglobalcompact.org/docs/issues_doc/Environment/Laudato_Si_Open_Letter_UN_Global_Compact.pdf
8 The response is noted here: http://www.iustitiaepax.va/content/giustiziaepace/en/speciale-laudato-si/approfondimenti/open-letter-to-his-holiness-pope-francis-from-the-united-nations.html
Indifference?

While it is difficult to tell if anyone’s heart or mind has been touched by these efforts, we can certainly track the level of interest in this work. Let’s first consider the Global Compact. Figure 1 shows strong positive growth in interest over the first fifteen years of its existence. While that may be true, Figure 1 does not account for membership churn. Figure 2 pictures the dynamics of this membership. As we can see, the membership has been anything but stable, particularly since 2010. While to be sure the Global Compact has attracted new members over the years, it has also borne witness to quite a number of departures. 1,010, 1,395, 1,227, 551, 920 and 1,407 companies left the Global Compact in the years 2010 through 2015, respectively. While 15,641 companies signed on to the Global Compact since 2000, 7,518 (or 48 percent of them) did not sustain their commitment. While to be sure, the number of active signatories to the Global Compact continues to grow, Figure 2 shows us that this growth appears to be leveling off. This is hardly an unalloyed success story.

Insert Figure 2 about here

In addition, membership is not evenly distributed around the world. Janney, Dess and Forlani (2009) might have predicted as much. They looked at the market reaction to 175 MNC firms’ decisions to join the Global Compact. They found that the 82 headquartered in Europe enjoyed a positive two-day (-1,0) cumulative annual return of 2.019 percent, while the 23 headquartered in the USA suffered a two-day loss of 1.769 percent. They attributed the effect to the firms’ very different political, cultural and economic environments. Europe appears to provide a much more hospitable environment for firms to join the Global Compact than does the USA. Figure 3 depicts annual membership growth in six regions of the world: Europe, Latin America and the Caribbean, Asia, Africa, Northern America, and Oceana. Europe and the Latin America and the Caribbean region capture the lion’s share of signatories. The Europe / North America difference jumps right out at us. Few North American companies appear eager to abide by these ten principles. Taking a closer look at country by country membership, Figure 4b pictures the Top 20 signatories in 2015. With Europe accounting for nearly one half of the signatories

As is true all empirical studies, we need to be alert to the quality of the evidence. The authors were careful to note how they compiled their data. As of December 2006, the authors found 3,457 organizations to be affiliated with the Global Compact: 1,432 were for-profit firms; 379 of them were publicly traded; and 175 of them were multinational corporations where the Global Compact announcement decisions were not confounded with other information announcements. Of course, we await an investigation of the market reactions to MNC affiliation decisions made in the past ten years. For those new to event study methodology, Brown and Warner (1985) provide a succinct introduction to this work.
that year (Figure 4a), we see that Spain and France lead the way. Nearly a quarter of all of the Global Compact’s members come from two countries that comprise just 1.5 percent of the world's population.10

Public interest in the Global Compact is waning. Two kinds of data point to that conclusion. First, media interest in the Global Compact is weakening, if not diminishing. Figure 5 captures and combines two kinds of data from Factiva. Distinguishing between what might be called “internal,” self-generated press release coverage and “external,” media-generated coverage, we see that while firms are not shy about touting their commitments to the Global Compact, media interest is flagging. Figure 6 gives us a scaled look at the general public’s interest in the Global Compact. Looking at worldwide web search activity for the phrase “United Nations Global Compact” and the shorter search term “Global Compact,” we see an unmistakable downward trend in the publics’ interest in this initiative.11

Notwithstanding the initial flurry of interest in Laudato Si’, it appears that interest in this document has also waned. Looking again at Factiva, Figure 7 pictures the burst of media attention that accompanied its June publication but with the exception some attention that autumn, likely attendant

10 Compare the 2015 populations of Spain and France (46,121,699 and 64,395,345, respectively) with the population of the world that year (7,349,472,099). These data were retrieved from the Worldometers database. Spain’s population data, for example, can be found here: http://www.worldometers.info/world-population/spain-population/

11 Asking Google for their raw data (i.e., the actual number of searches each year), they politely declined to share it with us. They explained, “the reason being that Google’s earnings are tied to search volume, and therefore the raw info can’t be shared externally.”
to the Pope’s visit to America (from September 22\textsuperscript{nd} to the 27\textsuperscript{th}), current interest is negligible (we see only 37 media mentions in June 2016). A look at worldwide Google web search data paints a similar picture. Looking at Google trend analyses, (just as we did in Figure 6), Figure 8 reveals a good deal of public interest upon its release and again, likely attendant to his visit to the USA. We see minimal interest afterward.

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Insert Figure 7 about here
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All in all, the information reviewed in Figures 2 – 8 suggest that we, powerful and powerless alike, may have a hard time avoiding the sin of indifference. To be sure, some companies and some people do care but on balance, we do not see much sustained interest in these aspirations for our shared humanity. Consider the fact that 15,641 companies thought enough of the Global Compact’s ten principles to publicly affirm them. Holding aside the fact that nearly half of them could not sustain their commitment, what does this level of interest tell us? Absent a denominator, we really do not know. The good news is that Dun and Bradstreet (2015) gives us some sense of the magnitude of business activity worldwide. It turns out that they have data in hand on 134,968,036 companies (from 235 countries). Divide 15,641 by 134,968,036 and we learn that only one hundredth of one percent of the companies in the world can stand behind these principles... even if only for a year.

And whither Laudato Si'? Like all papal encyclicals, it will live “forever.” It is now a part of the magisterium of the Catholic Church. Beyond that, the Vatican took the occasion of the first anniversary of its publication to create a webpage dedicated to keeping its hope alive [http://www.laudatosi.va/content/giustiziaepace/en.html]. The webpage is home to all kind of news, writing, interviews, conference and seminar announcements (and synopses of the gatherings), and more. To be sure, Catholic dioceses, parishes, schools and environmental groups also work to keep the Pope’s words alive in their own unique ways. The Church certainly stands behind its words. But of course, needing to attend to the spiritual lives of over one billion people, it does other work too. For example, Pope Francis (2016) recently turned his attention to the life of the family in his Apostolic Exhortation entitled Amoris Laetitia (or The Joy of Love). This is a meditation on the well-being of the family in contemporary society. In the end, no one lives our lives for us. It is up to us, the citizens of the
world, to listen and just maybe heed the call of the leaders and prophets in our midst to make the world a better place. What is the likelihood that we will overcome our indifference and act? The evidence we presented here gives some cause for concern. There are limits to compassion. We may need to overcome a combination of compassion fatigue and compassion fade if we are to stand a chance.

**Compassion’s Limits**

There are two different but related reasons why people may be inclined to meet misery with indifference. One speaks to our inability to grasp problems as they unfold on a grand scale (i.e., compassion fade). Meet an impoverished individual face-to-face and we are filled with empathy and sympathy; hear that nearly a billion people live in extreme poverty, however, and we are impassive. We simply cannot fathom what it means for a billion people to suffer. Suffering on such a grand scale becomes an abstraction that paradoxically, leaves us unmoved. We cannot connect. That said, we do sometimes act for the common good. The problem is that after a time, the quest can overwhelm us; we then retreat to a world of self-interest (i.e., compassion fatigue). If we are to move forward in service of our shared humanity, we will need to understand and address both sources of inaction.

**Compassion fade.** Joseph Stalin is purported to have said, “The death of one man is a tragedy, the death of millions is a statistic.” Speaking to this same phenomenon, Mother Teresa said, “If I look at the mass, I will never act. If I look at the one, I will.” Trying to understand why and how people are able to sit back and watch one genocide after another unfold, Slovic (2007:80) called these kinds of insights “a powerful and deeply unsettling insight into human nature.”

Most people are caring and will exert great effort to rescue “the one” whose needy plight comes to their attention. These same good people, however, often become numbly indifferent to the plight of “the one” who is “one of many” in a much greater problem. Why does this occur?

If the world can stand by and watch 800,000 men, women and children die in just 100 days at the hands of their fellow citizens (in Rwanda’s 1994 genocide), then what hope is there to mobilize action against a world of extreme poverty, malnutrition, and illness or one marked by the exploitation of the environment and others for profit? Our hope lies in unearthing the mechanism of indifference. It turns out that affect matters. As Stalin knew, statistics are bereft of emotion. People are unmoved by an abstract, analytic and rational picture, no matter how desperate the scene. Indeed, Slovic (2007: 83) pointed out that a motivation to act is rooted in “feelings such as empathy, sympathy, compassion, sadness, pity, and distress.” Our challenge then is to “impart the feelings that are needed for rational

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12 Observing the murders in Armenia (1915), Ukraine (1932-1933), Nazi Germany/Holocaust (WW II), Bangladesh (1971), Cambodia (1975-1979), the former Yugoslavia (1990s), Rwanda (1994), Zimbabwe (2000), and most recently, in the Congo and Darfur, Slovic (2007: 81) called this “A Century of Genocide.”
action” (Slovic, 2007: 86). We will offer an idea to address that challenge but before we do, we need to recognize that “our capacity to feel is limited” (Slovic and Västfjäll, 2015: 33). Even if motivated to act, there is no guarantee that the actors will see their commitments through.

**Compassion fatigue.** We know that care givers, first responders, military personnel, judges and others that come face-to-face with victims and perpetrators of trauma can become overwhelmed by the emotional burden of facing misery day in and day out. Figley (1995) noted that such people suffer a kind of “secondary trauma” and disengage, calling the phenomenon “compassion fatigue.” It is in this sense that Slovic and Västfjäll (2015) remind us that even when reformers have the world’s attention, they may not have it for long. Shifting levels of analysis from an individual to a nation, Schlesinger (1986) observed cycles in history, cycles that oscillate between a commitment to public purpose and a commitment to a private self-interest. A commitment to a purpose greater than the self in time yields to a life of self-absorption, which in due time will yield again to a life marked by a commitment to public purpose, that will yet again give way to a life of self-interest. This kind of oscillation may reflect the fact that we humans are one of only a very few species on earth that commingle a capacity for cooperation with a more typical competitive drive for self-interest (Wilson, 2014). Both other-serving and self-serving inclinations are baked into the nature of our species. Schlesinger Jr. (1986) does not look for the origins of the cycle in biology but he does situate it in the kind of human nature that caught Paul Slovic’s eye. Schlesinger Jr. (1986) talks about how each cycle breeds its own contradictions. His words below capture the essence of his argument. The first speaks to how public purpose will yield to self-interest and the second speaks to how self-interest will yield to public purpose.

Public action, in its effort to better our condition, piles up a lot of change in rather short order. ... Sustained public action, moreover, is emotionally exhausting. A nation’s capacity for high tension political commitment is limited. Nature insists on a respite. People can no longer gird themselves for heroic effort. They yearn to immerse themselves in the privacies of life (p. 28).

Epochs of private interest breed contradictions too. ... Segments of the population fall behind in the acquisitive race. Intellectuals are estranged. Problems neglected become acute, threaten to become unmanageable and demand remedy. People grow bored with selfish motives and vistas, weary of materialism as the ultimate goal. ... They are ready for a trumpet to sound (p. 28-29).

While Schlesinger Jr. (1986) builds on his father’s work, work that traces this public purpose / private interest cycle back to 1765 (Schlesinger, 1949), we recognize that more people today are familiar with 20th century US history than they are its 18th and 19th century history.13 As such, we will just picture

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13 Schlesinger (1949: 77-92) noted eight periods, four liberal and four conservative (in his words), between 1765 and 1901. They begin with the Stamp Act of 1765 and the colonists’ resistance to English imperialism (liberal) and end...
the general ebb and flow of these forces through the 20th century and to the present day. Beginning with Theodore Roosevelt’s presidency in 1901 and ending with an observation about Donald Trump’s presidential bid, we hope that Table 2 provides enough detail to illustrate the cycle. The point here is that we may be at the end of a Public Purpose cycle. Indeed, the waning interest in the Global Compact and the passing attention to Laudato Si’ may say as much. Any effort to address the world’s problems today will confront the timeless problem of compassion fade and just maybe a brewing inclination to turn inward. What to do?

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A New Idea

While the world cries out for repair, the psychology of compassion fade and fatigue works against sweeping efforts to better the world. As difficult as it may be to address fade, it may be tougher still to inspire a world caught in compassion fatigue. Timing matters. Having said that, we cannot tell the world’s impoverished, malnourished, uneducated, and sick to wait a generation for the rest of the world to act. And so, we would like to offer an idea to address the compassion fade and in so doing, just maybe convince those who can help to help.

Recall that Paul Slovic (2007: 86) identified our challenge – we need to find a way to “impart the feelings that are needed for rational action.” Slovic and Slovic (2015) answered the challenge eight years later. They ended their book with these words:

...one of the essential lessons of our book is that how information is communicated (whether in large quantities or small) -- such as the intertwining of numerical and narrative descriptions or sometimes the extension of abstract numerical data into narrative or visual analogues -- may be particularly essential to our apprehending (and perhaps counteracting) the dangers and injustices human beings impose upon ourselves and the planet (p. 220).

We need to find a way to use narrative and visual information to bring the lives of those in need to life. Indeed, vivid depictions might stimulate public-spirited action even as the cycle of history spins toward self-interest. As business professors, our eyes turn to the business community, to those who can remediate their own harmful behavior and to those who can use their capacities to solve the world’s

with Grant’s election in 1869, one that ushered in a long period of unfettered business enterprise (conservative): 1765-1787, 1787-1801, 1801-1816, 1816-1829, 1829-1841, 1841-1861, 1861-1869, 1869-1901.

14 Of course, this just speaks to the cycle in the United States. We have no idea if countries operate on their own cycles or perhaps with the force of globalization, the cycles align worldwide (or to be fair, we do not even know if such cycles are universal). That said, some see the June, 2016 “Brexit” vote as foreshadowing a Trump presidency (Kay, 2016). Perhaps the citizens of the UK and the US are beginning to suffer compassion fatigue these days.
pressing problems (c.f., London, 2016; Kania and Kramer, 2011; Porter and Kramer, 2011; Reiser, 2011). In the end, no one lives our lives for us. It is up to us, the citizens of the world, to listen and just maybe heed the call of the leaders and prophets in our midst to make the world a better place.

Consider coffee. Ponte (2002) pictured the value chain that links coffee drinkers the world over with farmers in places like Africa, Asia and South America (not to mention all of the intermediaries who work to turn coffee beans into the beverage so many drink every morning). This is a lucrative industry. With 57 percent of the US population being coffee drinkers, the US retail coffee market generated $35.7B in revenues and a $1.9B in profit in 2015 (Turk, 2015). To be sure, we know that this kind of wealth is not equally shared across the value chain. For example, retailers make much more money than farmers (Valkila, Haaparanta and Niemi, 2010). No one is saying that everyone must share the wealth equally. Still, if we could only see that our lives -- rich and poor alike -- are intimately connected as we produce, sell and consume our goods and services, then the well-off among us just might be moved with compassion to address the problems of the less fortunate we touch with our value chains every day. The challenge is to bring those lives to light.

We are inspired by Smolan and Cohen’s (1986) effort thirty years ago to reveal the fullness of life in America. Recall that they dispersed 200 photographers all over the country on May 2, 1986 to chronicle that day in American history. The results were published in a compelling coffee table book. A grand success, they followed up (alone and together) to picture life in over a dozen other states, countries, and continents. Twelve years later, Bamberger and Davidson (1998) captured the closing of an American factory in a very compelling fashion. A photographer (Bamberger) and an English professor (Davidson), they joined forces to capture the events over time in image and word. While we may know the economic reasons for offshoring (Blinder, 2006; Blinder and Krueger, 2013), it takes a project like this to bring the human experience of dislocation to life. Inspired by these past efforts, we imagine a project where we picture and reveal the humanity in our world’s value chains.

Figure 9 captures the kind of image we might see on the cover of a book and documentary film, in this case, one that would bring to life everyone responsible for our morning coffee. The idea is to map the complete value chain and then photograph, film, and interview the people who work at each stop along the way. Sitting down with a cup of coffee to leaf through the book or watch the documentary, the coffee consumer would meet everyone who put that cup of coffee in his or her hand: the famers, roasters, exporters, traders, wholesalers and retailers, not to mention the back office staff that enable these people to do their work, as well as all those who transport the coffee around the world and yes, the politicians, bankers and insurance professionals that enable the industry to function. Working with
both images and narratives, our idea is to picture these people and at the same time, to share something of the story of their lives. Seeing where and how they work and live, meeting their family and friends, and learning something of both their lives to date and their hopes for the future, we would honor each person’s dignity. The images could be shared and the stories told in a book, a documentary film, or both.

Who would do this work? While we can imagine teaming up with a videographer to travel the world in search of these people and their stories, we can also imagine enlisting business students to help. Such an effort would be fully consistent with the United Nations’ aspiration for business education. Recall that they launched their PRIME initiative in 2007 (Principles for Responsible Management Education). Appendix A captures the six principles that they would like to see every business school embrace. Done well, a business school could send its students the world over to collect the images and stories. Such an effort would absolutely honor each of PRIME’s six principles (in the areas of purpose, values, method, research, partnership, and dialogue).

This work might even add life to the PRIME initiative. While the PRIME webpage today counts more than 650 business schools in over 80 counties as signatories, denominators matter here too.\(^\text{15}\) The AACSB (2015) counted 16,484 degree granting business schools in 2015. While 650 is a large number, these signatories comprise just 3.9 percent of the world’s business schools. We also noticed that just two of the top twenty business schools in the USA are signatories – Cornell University and University of California, Berkeley.\(^\text{16}\) Enlist some of the world’s “top” business schools in this effort, and perhaps others will follow. Once the humanity of one product’s value chain has been so revealed (and we learn how to efficiently and effectively complete this kind of project), it may be that students in business schools the world over could pick their favorite product and document the humanity in that sphere of business activity.\(^\text{17}\) Build an accessible library of such efforts and we just might inspire the world to act. The good

\(^{\text{15}}\) See [http://www.unprme.org/participants/index.php](http://www.unprme.org/participants/index.php)

\(^{\text{16}}\) Average the *Business Week* MBA rankings for programs in the USA between 1988 and 2015, rank order the results, and the following schools emerge as the Top 20 programs: Northwestern (Kellogg), Pennsylvania (Wharton), Harvard, Chicago (Booth), Michigan (Ross), Stanford, Columbia, Duke (Fuqua), MIT (Sloan), Dartmouth (Tuck), Virginia (Darden), Cornell (Johnson), UCLA (Anderson), UC Berkeley (Haas), Carnegie-Mellon (Tepper), North Carolina (Kenan-Flagler), NYU (Stern) and Indiana (Kelley), Yale, and Texas (McCombs). No “Top 10” school is a signatory.

\(^{\text{17}}\) Such an effort would be fully consistent with the many efforts in recent years to bring business students out of the classroom and into the world. Godfrey (1999) and Godfrey, Illes and Berry (2005), for example, have
news is that done at scale, this work ensures that our future business leaders will know in their bones that their work can -- and should -- serve humanity. 18

Final thoughts

We began by observing that Pope Francis appeals to the better nature of our angels and that the United Nations offers business a path ahead to help make the world a better place. We are well aware that these efforts can be seen as limited. After all, the Pope “only” offered us a set of aspirational reflections and an appeal. One might argue that values, no matter how laudatory, must be brought to life with a complementary system of accountability and control. The United Nations offered a path in that direction but to be sure, it is a rocky one. Holding aside questions about its limited embrace, we recognize that the Global Compact is largely an unenforceable voluntary code of conduct. Such codes can be used to forestall demanding government regulations, regulations that would require exacting disclosure, careful monitoring, and tough sanctions for non-compliance (Delmas and Montes-Sancho, 2010; King and Lennox, 2000). Such codes can also be adopted to fuel a corporate communication strategy that misleads a firm’s stakeholders about its operations (Lyon and Montgomery, 2015). Some might argue that the entire enterprise is ill-conceived. Soederberg (2007) and Sethi and Schepers (2014), for example, are vocal critics. They are not shy:

“…the GC acts to legitimize and normalize the expropriation of labour, while seeking to neutralize and depoliticize struggle tied to the deepening and widening forms of economic exploitation in the global South by powerful TNCs and their global supply chains (see Taylor, 2007).” … Soederberg (2007: 510)

“…the UNGC has projected itself as the empyrean of high moral and humanistic values, while in practice, it has struggled in the trenches with lowly mortals, not to save them, but for their patronage to save itself. In this position, the UNGC is incapable of either redeeming itself or making discernible progress in its mission. Perhaps the most honorable approach would be for the UNGC to admit its failure and dissolve itself.” …Sethi and Schepers (2014: 207)

encouraged us for years to enable our students to serve the world as they complete their studies, both for the world’s benefit and for their own development [see Yorio and Ye (2012) for a look at how students benefit from such work]. The growing prevalence of study abroad programs (c.f., NAFSA and the commitment of its 3,500 member institutions worldwide to international education: http://www.nafsa.org/About_Us/About_NAFSA/) and the Forum on Education Abroad with its nearly 800 member institutions, also so dedicated to international education: https://forumea.org/), as well as action-based learning (ABL) programs (c.f., the University of Michigan’s Ross School of Business’ now 25-year commitment to ABL: http://michiganross.umich.edu/our-community/companies/map and the University of Leeds’ “Leeds for Life” program that enables their students to make a difference in their local community https://leedsforlife.leeds.ac.uk/) suggest that the time may be ripe for such an initiative.

18 Once fully launched, we can imagine that this kind of project could also be crowdsourced. In time, we envision a structured and searchable web platform that allows people around the world to upload their own photos and videos and in doing so, tell their own stories.
Aware of these criticisms, we still walk away impressed by the United Nations and the Vatican’s work. We are inspired by their high aspirations. After all, it is one thing to identify the world’s problems, it is an entirely different matter to step up and try do something about them. We admire their gumption. Limitations and troubles notwithstanding, no situation is irredeemable. If well-meaning people take well-meaning criticism to heart, wrongs can be righted.

As we work to better the Global Compact, for example, we need to remember that we are dealing with global problems. We may long for demanding government regulations, exacting disclosure requirements, careful monitoring, and tough sanctions for non-compliance, but we do not have a world government capable of bringing such a dream to life. As constituted, the United Nations certainly cannot do that today. To be sure, nation-states can take up the challenge but absent harmonization, the door is always open to opportunities for regulatory arbitrage (c.f., Houston, Lin and Ma, 2012). And so, even as we move forward to right wrongs and better govern our world, we need to recognize that at base, our values will inspire any global governance regime we imagine. Values matter. They matter too because they inspire and enable individuals and firms’ more local actions, actions that in time, may cohere and scale to change the world (Weick, 1984). Just as lives are lived one at a time, the world changes one act at a time. Every act of conscience matters.

Perhaps it is fair to say that most fundamentally, the United Nations has been trying to change our minds about business. They are looking to move business leaders to work for human rights and against labor abuses, for the environment and against corruption. Pope Francis, on the other hand, is trying to touch souls, the innermost aspect of humankind, the spiritual principle that defines what it means to be a person (Catholic Church, 1995: 363). Indeed, he ends his encyclical by asking God to “Bring healing to our lives, that we may protect the world and not prey on it, that we may sow beauty, not pollution and destruction (246).” And with all modesty, we are trying to stir hearts with our proposal here. If we can only find a way for us to see and yes, even feel each other’s’ dignity, then we might actually treat each other, and our home, the planet itself, with deserved respect. Compassion fade and compassion fatigue are real. Nevertheless, with an open mind, a generous heart and a compassionate soul, we just might temper our self-serving inclinations and make the world a better place.

References


Pope Francis 2016. *Amoris Laetitia*:


Pope Francis 2015. *Laudato Si*:


http://www.socialprogressimperative.org/publications


### Table 1 The United Nations Global Compact’s Ten Principles

<table>
<thead>
<tr>
<th>Human Rights</th>
<th>Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and Principle 2: make sure that they are not complicit in human rights abuses.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labor</td>
<td>Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; Principle 4: the elimination of all forms of forced and compulsory labor; Principle 5: the effective abolition of child labor; and Principle 6: the elimination of discrimination in respect of employment and occupation.</td>
</tr>
<tr>
<td>Environment</td>
<td>Principle 7: Businesses should support a precautionary approach to environmental challenges; Principle 8: undertake initiatives to promote greater environmental responsibility; and Principle 9: encourage the development and diffusion of environmentally friendly technologies.</td>
</tr>
<tr>
<td>Anti-Corruption</td>
<td>Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.</td>
</tr>
</tbody>
</table>
Table 2: Cycles of American History

<table>
<thead>
<tr>
<th>Period</th>
<th>Events</th>
<th>Type</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>1901 - 1919</td>
<td>Progressivism, Square Deal, WW I</td>
<td>Public</td>
<td>Theodore Roosevelt’s Square Deal focused on the conservation of natural resources, control of corporations, and consumer protection. Wilson lead a war effort and peace process that galvanized the nation.</td>
</tr>
<tr>
<td>1919 - 1931</td>
<td>Roaring 20s, Jazz Age</td>
<td>Private</td>
<td>Harding reduced taxes on the wealthy (taxes levied to fund the war), encouraged the SEC, ICC and Justice Department to cooperate with corporations, and limited immigration. Coolidge also supported the private sector. Notably, he once said, “the chief business of the American people is business.”</td>
</tr>
<tr>
<td>1931 - 1947</td>
<td>Depression, New Deal, WW II</td>
<td>Public</td>
<td>Franklin Roosevelt’s response to the Great Depression focused on the “3 Rs” (Relief, Recovery, and Reform): relief for the unemployed and poor, recovery of the economy, and reform of the financial system to prevent a repeat depression. Fighting both the Depression and the Axis Powers united the nation in compelling collective purposes.</td>
</tr>
<tr>
<td>1947 - 1961</td>
<td>Post-war recovery, baby boom, suburban growth, prosperity</td>
<td>Private</td>
<td>The G.I. Bill of Rights enabled soldiers to educate themselves and purchase homes. Emerging as a global power, the US’s post-war economy blossomed. Heavy investments in public infrastructure provided jobs and a foundation for economic prosperity.</td>
</tr>
<tr>
<td>1961 - 1977</td>
<td>New Frontier, Great Society, Civil rights, Women’s rights, Viet Nam war, Watergate</td>
<td>Public</td>
<td>JFK’s election signaled a new era of activism. His New Frontier, LBJ’s Great Society programs, and even many of Nixon’s policies were aspirational. A focus on poverty alleviation, civil rights, women’s rights, labor protection, the environment, government accountability and both fighting and protesting the Viet Nam war consumed the nation.</td>
</tr>
<tr>
<td>1977-2001</td>
<td>Carter’s malaise speech, Reaganomics, Clinton’s welfare to work reform</td>
<td>Private</td>
<td>Carter chastised Americans for turning inward, arguing that “too many of us now tend to worship self-indulgence and consumption.” Reagan advocated tax reductions to spur economic growth, control of the money supply to curb inflation, economic deregulation, and reduction in government spending. Clinton focused on streamlining government and limiting welfare programs. Christopher Lasch’s book, <em>The Culture of Narcissism</em> and the movie <em>Wall Street</em> (popularizing the saying, “Greed is good”) were cultural touchstones.</td>
</tr>
<tr>
<td>2001 - 2016</td>
<td>September 11th, two wars, Obamacare, gay marriage, business as an agent of world benefit</td>
<td>Public</td>
<td>The 9/11 attack united the nation and prompted wars in Iraq and Afghanistan. Bush expanded Medicare, focused on education (No Child Left Behind Act) and invested heavily in the international fight against HIV/AIDS. Obama will be known for reforming heath care and supporting LGBTQ rights (gay marriage was legalized nationwide). The Global Compact is just one of many initiatives that reflect a growing awareness that business can be an agent of world benefit.</td>
</tr>
<tr>
<td>2016 - ?</td>
<td></td>
<td>Private</td>
<td>The rise of Donald Trump with his anti-immigrant, isolationist ideas may signal a move away from public purpose and toward private interest.</td>
</tr>
</tbody>
</table>
Figure 1: Cumulative Global Compact Signatories: 2000-2015

Figure 2: The Dynamics of Global Compact Membership: 2000 – 2015
Figure 3: The Geography of Global Compact Membership

![Graph showing the growth in number of signatories by region from 2000 to 2015. The regions include Europe, Latin America and the Caribbean, Asia, Africa, North America, and Oceania. The graph shows a significant increase in membership over the years, with a particular focus on Europe and Latin America and the Caribbean.]
Figure 4: A Closer Look at the Geography of Global Compact Membership: 2015

Panel A: Geography of Global Compact Membership in Percentages

Panel B: Most Represented Countries
Figure 5: Global Compact Media Mentions

![Bar chart showing the number of media mentions from 2000 to 2015. The chart indicates a significant increase in mentions from 2007 onwards, with a peak in 2010. The sources are Factiva and Google trends.]

Figure 6: Global Compact Google Web Search Activity: 2004-2015

![Line graph showing the search activity for the Global Compact from 2004 to 2015. The graph highlights the fluctuations in search trends for both 'United Nations Global Compact' and 'Global Compact'. The sources are Google trends.]

Source: Google trends
Figure 7: Laudato Si’ Monthly Media Mentions: January 2015 – June 2016

Figure 8: Laudato Si’ Google Web Search Activity: January 2015 – June 2016
Figure 9: Bringing our Humanity to Life

A Day in the Life of A CUP OF COFFEE
Appendix A: The United Nations’ Principles for Responsible Management Education

**Principle 1 | Purpose**: We will develop the capabilities of students to be future generators of sustainable value for business and society at large and to work for an inclusive and sustainable global economy.

**Principle 2 | Values**: We will incorporate into our academic activities and curricula the values of global social responsibility as portrayed in international initiatives such as the United Nations Global Compact.

**Principle 3 | Method**: We will create educational frameworks, materials, processes and environments that enable effective learning experiences for responsible leadership.

**Principle 4 | Research**: We will engage in conceptual and empirical research that advances our understanding about the role, dynamics, and impact of corporations in the creation of sustainable social, environmental and economic value.

**Principle 5 | Partnership**: We will interact with managers of business corporations to extend our knowledge of their challenges in meeting social and environmental responsibilities and to explore jointly effective approaches to meeting these challenges.

**Principle 6 | Dialogue**: We will facilitate and support dialog and debate among educators, students, business, government, consumers, media, civil society organisations and other interested groups and stakeholders on critical issues related to global social responsibility and sustainability.