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# Bookshelf

By Jane Gebhart

## Business and the Environment

***From Heresy to Dogma: An Institutional History of Corporate Environmentalism***, Andrew J. Hoffman, San Francisco: The New Lexington Press, 1997, 254 pages, \$53.00

***Eco-Efficiency: The Business Link to Sustainable Development***, Livio D. DeSimone and Frank Popoff with the World Business Council for Sustainable Development, Cambridge, Massachusetts: MIT Press, 1997, 280 pages, \$25.00

Do American corporations see environmentalism as a challenge or a threat? How have their policies changed over time? Hoffman, in *From Heresy to Dogma*, traces the history of corporate environmentalism and forecasts its future. He seeks to answer two questions: "How did industry move from a posture of vehement resistance to environmentalism to one of proactive environmental management? Why has this transformation occurred?" In particular, he focuses on the chemical and petroleum industries in a careful analysis. In what he calls a unique perspective, Hoffman asks "how and why the members of each industry have responded as they did." The time frame he studied is from 1960 through 1993, divided into four sections: industrial environmentalism (1960-1970), regulatory environmentalism (1970-1982), environmentalism as social responsibility (1982-1988), and strategic environmentalism (1988-1993).

Hoffman comments, "Environmentalism diffuses throughout a firm, affecting all facets of its organizational structure. But as the words *heresy* and *dogma* imply, the environmental transformation is not simply structural. It also involves a shift in the way the company views the world and its place in it. It places organizational action on a different plane." For instance, engineers at Amoco are "no longer able to focus simply on the end results of engineering calculations; they must now understand the social, political, economic, and cultural context of their tasks.

Environmentalism signifies a redefinition of both technology and the engineer's role in developing it."

What makes environmentalism different from other corporate concerns, says Hoffman, is its pace of social change, its moral-ethical side, its strategic aspect, and its challenge to corporate autonomy. The corporation is not isolated from its physical or social environment. Hoffman, associate professor of organizational behavior at Boston University School of Management, looks at how such change has occurred. In Amoco's case, how did it undertake a fundamental transition? Was it because of people inside the firm or external events? Ultimately, Hoffman says, "The essence of how environmentalism changes the corporate enterprise lies not primarily in its technical adjustments but, more important, in its *structural, strategic, and cultural* transformation."

Meanwhile, DeSimone et al. show the progress that some companies have made in addressing environmental issues through case studies of ABB, Andersen, EBARA, Johnson Wax, Kvaerner, Ontario Hydro, Philips, Roche, Statoil, Swiss Bank, Dow, and 3M. They suggest that business leaders recognize "that sustainable development is the big issue of our time and that all of us . . . must do more to be sustainable." In explaining the term *eco-efficiency*, they say that *eco* "encompasses both *ecological* and *economic* resources . . . [*Efficiency*] says that we have to make optimal use of both." Companies must do more with less, say the authors. They offer seven guidelines: (1) reduce the material intensity of goods and services, (2) reduce the energy intensity of goods and services, (3) reduce toxic dispersion, (4) enhance material recyclability, (5) maximize sustainable use of renewable resources, (6) extend product durability, and (7) increase the service intensity of products.

The authors see certain key features that must be part of a company's eco-efficient mind-set, among them, a recognition that eco-efficiency is more a process than a final objective, that sustainability must be integrated into the overall business as a core competence, and that companies must collabo-