

ISSN: 2042-5945 (Print) | 2042-5953 (Online)

WJSTSD V19 N3/4 2024

**3** OPEN ACCESS

DOI: 10.47556/J.WJSTSD.19.3-4.2024.3

# **RESEARCH PAPER**

# Social Capital: An Indispensable Ingredient to Global Transformation towards Sustainable Development

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#### **ABSTRACT**

**PURPOSE:** This paper aims to show how an operational concept of social capital—rather than a mere network definition—enhances social capital deployment for societal control of the United Nations Sustainable Development Goals (SDGs) on the global level, together with what has been called "transformation of issue spaces", i.e., the evolution of changes in the locus of global decision-making.

**DESIGN:** The approach to the topic is mainly descriptive; there are not enough data for statistical evidence.

**FINDINGS:** Discussing the applicability of the social capital concept for monitoring global transformation towards sustainable development strengthens the role of both formal institutions and civil society organisations to monitor progress of SDG implementation and to preserve public goods related to specific SDGs.

**ORIGINAL VALUE:** Connecting sustainable development to the maintenance of public goods is a perception that has not been brought into play very often. It is important for theory as well as for praxis that this nexus is exploited.

**KEYWORDS:** Human Capital; Social Capital; SDG Implementation; Public Goods; Transformation of Issue Spaces; Unity of Purpose

CITATION: Bardy, R. (2024): Social Capital: An Indispensable Ingredient to Global Transformation towards Sustainable Development. World Journal of Science, Technology and Sustainable Development (WJSTSD), Vol. 19, No. 3/4, pp. 121–137.

RECEIVED: 15 February 2024 / REVISED: 2 March 2024 / ACCEPTED: 28 March 2024 / PUBLISHED: 15 April 2024

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#### INTRODUCTION

The set-up of the United Nations Sustainable Development Goals (SDGs) is such that deliberations on how to monitor and evaluate their implementation, apart from the data (and their digitisation) perspective, have a deeply inherent systemic perspective that comprises all levels, from the deep local to the high spheres of international co-operation. Diligent planning, here, is mainly about combining financial, human, and social capital. For this, an operational concept of social capital—rather than a mere network definition of social capital—is needed because only this can provide its deployment. With this deployment, societal control of the SDGs can be enhanced on all levels and especially on the global one; here, additional support comes from what has been called "transformation of issue spaces", i.e., changes in the locus of global decision-making that involves, among others, civil society representatives.

Concerted endeavours of all sectors at all levels of society are required for the implementation of the SDGs. This collective effort is especially important on a global scale: with globalisation, we are getting more and more societal challenges that require that members of society transcend their self-interest to engage in impersonal co-operation (i.e., to collaborate with 'strangers') for the objective. The term of impersonal co-operation is taken from behaviourism (see, e.g., Fehr and Fischbacher, 2003), but it has also been applied to the creation of "valuable public goods, such as infrastructure, public services, and democracy" (Chen, 1996, p.192). One recent example is how co-operation between hitherto very distant groups has supported the COVID-19 pandemic response (Romano *et al.*, 2020). The effects can also be seen in engagements to conserve natural resources, to mitigate the consequences of climate change, to suppress the spread of deadly diseases, to halt military aggression, and other public goods, all of them within the sphere of the SDGs. These engagements will only work with a unity of purpose around that collective action challenge. A unity of purpose would achieve (see, e.g., Dahl, 2019):

- the world's businesses, public entities and third sector organisations working together to preserve and improve the wellbeing of mankind;
- the controversy of arguments for or against non-market approaches to any economic activity, especially in the delivery of public goods would be finally settled;
- a comprehensive agenda being set up on all societal levels for maintaining and expanding public goods, whether tangible or intangible ones;
- decision-making support for communal efforts on public goods being built from whichever source;

- communal efforts being made visible and measurable through measuring and valuating public goods (as monetisation will also contribute to ease funding decisions);
- the interdependencies and interrelationships of the SDGs being utilised as they are essential for the wellbeing and the survival of mankind.

These objectives can be attained only if progress is controlled through collective effort and if the boundaries of the private and public spheres are opened. There has never been an underpinning for separating these spheres, neither political, economical nor ethical one. Joint improvement and safeguarding the common good and human wellbeing are tantamount to maintaining and expanding public goods (which, in the end, is the purpose of the UN 2030 Agenda). When this effort is undertaken by all sectors of society, two old economic traditions are brought together—the positivist one (a view on the optimal outcome) and the moral one (the motivation that causes the effort). The common good concept, therefore, becomes the social compact binder that unites what has been generally confined to either the public or private sectors (Bürgenmeier, 2012). Therefore, the obvious optimum would be reached by societal control.

# SOCIETAL MONITORING OF GLOBAL SDG IMPLEMENTATION

Monitoring SDG implementation is a vast topic whose exposition is beyond the limits of this paper. Digitisation, in view of the enormous magnitude of the data and multiple ramifications, is one overarching issue. But there are several other questions: Which methods can be applied? Which indicators are available on the local, national, and global levels? Can a target set for the implementation of a specific goal meet all the needs? How can implementation be co-ordinated effectively? A local community, for instance, must install monitoring schemes that observe if the projected demand for a goal is fulfilled by quantity and quality. Data can often be drawn from surveys and statistics, e.g., figures on the demand for schooling, for healthcare, for job creation, security, etc., where econometric techniques, forecasting through parametric probability, dynamic panel data models, etc., can be deployed (see, e.g., Jochmann and León-González, 2004).

The monitoring scheme will have to be different for cross-border ventures or for implementing SDGs that affect global public goods. When a multitude of governments, businesses and individuals in various countries align their activities for a common purpose, they may be bound together through treaties, regulatory mechanisms, and

systems of standards. These are co-ordination instruments that can be applied both to the core activity of a venture (such as conservation of the biosphere), and for activities that complement it. Table 1 exhibits examples of such core and complementary activities.

**Table 1: Linkages Between International and National Activities** 

Sector & Scope	Core Activity	Complimentary Activity
Environment		
International	Research to reduce emissions	Regulation and tax incentives
National	Conservation	Environmental education
Health		
International	Research to eliminate disease	Vaccine distribution system
National	Preventive health care	Health care system
Knowledge		
International	Specialized research centers	Internet infrastructure
National	Education service	Education infrastructure
Security		
International	Conflict prevention	Institutions for conflict management
National	Crime reduction	Policing
Governance		
International	Multilateral institutions	Strengthening domestic civil society
National	Good government	Civil service reform

Source: Barrett, 2007, p.41

The terms "core" and "complementary" in this table are taken from the World Bank's terminology of Official Development Assistance (ODA) for financing development projects (many of which are national or international public goods). Complementary expenditure, in most cases, is higher than core expenditure. It is directed to activities "on the ground", i.e., within a particular country or region, and the cause-effect relationship in the project can be controlled locally (World Bank, 2001). For example, conflict prevention (an international core activity as per Table 1) starts with policing at the national level, but the core may lie at a level above. The importance of local activities has motivated the World Bank, in elaborating new modalities for control, to increase local staff for monitoring the activities of its regional projects. This was seen as a strategic change from the more centric control it had hitherto practiced (Corral *et al.*, 2020). With this, national governments whose faculties for control had

been limited, will now assume the role of the monitoring agency. This extends beyond checking if funds are coming in as planned towards direct intervention when deviations arise. Local staff would have the power to enforce fulfilment of contracts: international institutions often lack this power. This new division of work allows international institutions to better concentrate on their role as programme enablers, not only with regard to funding arrangements but also with regard to conceptual tasks that lay the base for control and monitoring.

The work of institutions has to be complemented with societal control. Societal control of SDG implementation, i.e., monitoring progress of whichever undertaking on the common goal will involve its beneficiaries. This way, the principle of 'no one to be left behind', which stands above all the SDGs, will be most properly fulfilled. The task requests that all citizens partake in communal action with governments and corporate actors. Human capital (labour, education, skills, teamwork, labour markets as well as the physiological, the creative, the intellectual, the psychological, and the moral) and social capital (the power of societal institutions) need to be deployed in all their facets.<sup>1</sup> On a global scale, international institutions need to be added to that collective action. Today's global public domain, apart from state actors, entails transnational firms and civil society associations that span the world; production of globally available public goods is a result of the interplay between this (private) sector and national/transnational institutions. The public actors were traditional overseers of global public goods before the internationalisation of the private domain arose. As public and private domains are intertwined, there is a wider interplay that must be controlled by all society.

Societal control, on a state or a regional level, begins with check-and-balance mechanisms inherent in democratic systems; on specific topics, referendums may be held, or roundtables that include all that are affected by a governmental decision. On a global scale, three perspectives come to mind: one is what has been called the "transformation of issue spaces" (Ruggie, 2004a), another is globally active civil society organisations, and the third is building and utilising social capital.

<sup>&</sup>lt;sup>1</sup> This paper does not wish to elaborate on the various definitions of human capital and the argumentations around the term: an exhaustive source is Castillo (2016). The same applies to the discussions on the term of social capital; the paper will only cover the global aspect of the concept. It is the stance of the author that social capital is not an abstract matter as pursued by, e.g., the World Bank's definition that restricts it to networks and relationships. A practical approach, i.e., the operationalisation of the social capital concept with the objective of measuring it in monetary terms, needs to connect with the notion of social institutions, with value creation and with increase in wellbeing (Bhandari and Yasunobu, 2009; Rostila, 2011).

#### TRANSFORMATION OF ISSUE SPACES

The international political world after World War II had a system of rules for problemsolving (global governance arrangements) that were designed to work between independent states, with some interference through the United Nations. Then, territorial associations were formed, e.g., the European Union, and trade agreements such as NAFTA or the Mercosur in North and South America, and ASEAN in Southeast Asia. Another change was brought about by powerful non-state actors such as multinational enterprises and global CSOs. This led to a transformation of political and economic relations (policy spaces were no longer either "internal" or "external"), and public goods provision became dependent on issues both inside and outside a state. There is a parallel to what happened at international trade, where concerns on border measures (tariffs, volume restrictions) were made up for by concerns on subsidies and other protectionist measures—internal factors that have an impact on external relations (Ruggie, 2004a, p.508). Likewise, while pollution had been a matter to be dealt with inside state borders or even a province, causes and effects of pollution have become universal: plastic waste in the oceans, oil spills and marine litter on the high seas, etc., have a source that is located elsewhere. Within the global supply chains, external parties (foreign buyers) proliferate human rights issues that address the most internal political regulations between a government and its citizens in the state where the producer is located.

Which instruments can be deployed to control issues that endanger public goods internationally? First, one must consider that control starts earlier, with discourse, contestation, and action, all organised around the production of public goods, a new format of interactions among non-state actors as well as states. An example is global health: the interaction of states, the healthcare and pharmaceutical industries as well as patients' representatives allow that a wide variety of human interests, not merely those interpreted and promoted by governments, can be expressed and pursued (Kickbusch, 2013). If all the actors are involved in rule-making and ruleenforcing, no group will be able to claim that its interests have not been accounted for. However, reality shows that rule-enforcing, as it has to be conferred to a public authority, can meet with difficulties. Staying with the field of global health, while the World Health Organization (WHO) has the power to establish rules that apply across borders, rule-enforcement lies with national governments that often shun the investment for a health measure. If they bring in private actors for investing, they can better concentrate on control. A case for this is the partnerships in malaria control that were built in many countries affected by the plague (Nahlen and Steketee, 2012).

Similarly, with HIV/AIDS, the United Nations announced in 2002 that they would abandon their policy of relying on governments and would instead fund corporate efforts to provide anti-retroviral drugs (Lamont, 2002).

The HIV/AIDS case shows that private firms can become authoritative and legitimate players in a global public goods effort because they have expertise, successful practice, and are explicitly granted coercive power by, in the case of HIV/AIDS, the United Nations. Another case is the public good of intellectual property rights (IPR), where multinational corporations are functioning as autonomous actors because governments let them act freely. The agreement on Trade-Related Aspects of Intellectual Property (TRIPS) was devised and entered into WTO negotiations by an independent team of twelve industry representatives (the Intellectual Property Committee<sup>2</sup>). It was industry that identified a trade problem, devised a solution, reduced it to a concrete proposal and advanced it to negotiations of governments. "In effect, twelve corporations made public law for the world" (Sell, 2003, p.96).

It may be argued that giving business firms political authority in international politics is questionable with a view to societal control. In the TRIPS case, though, there was enough room for the governments who negotiated within WTO. Admittedly, there is a fine line between this procedure and business firms as interest groups lobbying their governments or international organisations. But, first, lobbying is getting more and more regulated in many parts of the world (see, e.g., Ban and You, 2019), and, second, civil society nowadays has developed the power to harness excessive abuse of corporate power. In 2001, for instance, when the pharmaceutical industry intended to privilege considerations of patent rights over global health concerns, civil society organisations played a key role in forcing the industry to reduce prices significantly. Also, media all over the world denounced this industry's position as untenable (Spar and Bartlett, 2002).

# CONTROL ACTIVITIES BY THE GLOBAL NON-PROFIT SECTOR

The non-profit sector (non-governmental organisations [NGOs], civil society organisations) have constantly increased their profiles at the international level throughout the last decades. There were about 30,000 entities with an intentionally transnational reach in 2002, and about 1,000 had members from 3 or more countries (Ruggie, 2004a, p.554). The numbers have increased, but, what is more important,

<sup>&</sup>lt;sup>2</sup>The committee was formed in 1986 by Bristol-Myers, DuPont, FMC Corporation, General Electric, General Motors, Hewlett-Packard, IBM, Merck, Monsanto, Pfizer, Rockwell and Warner Communications. Their work was finalised in 1994.

their political clout has risen (Lewis *et al.*, 2020). There are a number of factors that contribute to this, such as globalisation and advances in communications technology. Also, governments have deliberately chosen to support NGOs, and there is an increasing occurrence of multilateral negotiations between states that inspire NGOs and activists to shadow them (Keane, 2003). Many of them started on a local level with local objectives, such as Oxfam that was founded in 1942 by Oxford citizens who wished to support war-torn suburbs (Oxford Committee for Famine Relief). Today, Oxfam is an international organisation consisting of 21 affiliates and the international secretariat in Nairobi, with an operational budget of over US\$100 million annually for international activities (<a href="https://en.wikipedia.org/wiki/Oxfam">https://en.wikipedia.org/wiki/Oxfam</a>). There were prominent involvements of Oxfam in Ethiopia where it urged Starbucks to agree on fair trade coffee arrangements (Arslan and Reicher, 2011), and in post-genocide Rwanda where it supported land-restitution on a broad scale (Pottier, 2002). On climate change, the Climate Action Network (CAN), an association representing environmental NGOs, has taken part in multilateral climate negotiations since its founding in 1989.

The foremost field of international NGO activities is to support developing countries, whether through local projects or in transregional efforts. Many of them concentrate entirely on monitoring the attitudes of multinational enterprises (MNEs), with their objectives varying from control of prices, of workplace conditions and quality of products/services, to checking on consumer information and environmental conduct. They act as powerful watchdogs without having any formal mandate, except that they may have some directive from a government agency. There is often no recourse to a specific legal framework, which may put managers of MNEs into a dilemma: the managers might be willing to respond to an NGO request positively, but they are also bound to corporate guidelines and disclosure requirements. So, they are sometimes uncertain about what is expected of them. In any case, NGOs can assume the function of reducing the 'information asymmetry' that exists between consumers and producers in a globalised economy. This improves the knowledge that consumers have about how the goods they purchase have been produced, how workers were treated in the supply chains, how waste was processed, whether there was corruption of public officials, or whether raw materials come from countries at war. This may incite consumers to penalise, and it may also create an incentive for producers to become more socially responsible (Lodge and Wilson, 2006).

Another field of societal control is to monitor international financial institutions (IFIs), such as the World Bank, the International Monetary Fund, and transregional development banks. This is pursued by IFIwatchnet (http://www.ifiwatchnet.org), an

international NGO network of nearly 60 organisations from 35 different countries in every region of the world. They use, among others, the experience of the Bretton Woods Project,<sup>3</sup> a UK-based NGO with long-standing involvement in making global institutions accountable to the people they serve (<a href="http://www.brettonwoodsproject.org">http://www.brettonwoodsproject.org</a>). Recent topics taken up by the Bretton Woods Project are the African food crisis and international trade, the unfinished debt agendas of African states, and scrutiny of the IMF and World Bank-led COVID-19 response (Lewis *et al.*, 2020, p.155f).

For their monitoring work, national and international NGOs can use a knowledge device that was set up by the Division for Sustainable Development Goals in the United Nations' Department of Economic and Social Affairs (UNDESA). The device is a large platform called the SDG Knowledge Platform (https://sustainabledevelopment. un.org). All information that citizens, private sector associations and businesses as well as local authorities upload to the platform is accessible to any user in a high-quality fashion that is timely, reliable and both aggregated and disaggregated. Cross-border joint action built on these data and the networks behind the data can contribute to the formation of a powerful civil society. They can help to craft institutions that safeguard the rights and the independence of citizens and protect the natural environment. This method of co-operation builds social capital, as was shown above, on a local level, for the case of dairy producer Danone, where the opposition between the company and the CSOs who had first fought against the firm turned into productive togetherness (which is social capital) in the common effort to promote regenerative farming methods. Any business that reaches out to its community builds social capital; there are also sources for social capital on the international level.

## **DEPLOYMENT OF GLOBAL SOCIAL CAPITAL**

A formidable leverage for social capital formation on a global scale is to be found in the United Nations Global Compact initiative; this enlists corporate engagement in promoting fundamental principles on human rights, on rights at work and on environmental responsibility (<a href="https://unglobalcompact.org">https://unglobalcompact.org</a>). Its ten<sup>4</sup> principles all relate to public goods:

<sup>&</sup>lt;sup>3</sup> The name was chosen because it was the so-called Bretton Woods institutions (IMF and World Bank) that were at the centre of the Project's fist scrutiny activities.

<sup>&</sup>lt;sup>4</sup> Principle No. 10 was added in June 2004 in accordance with the <u>United Nations Convention Against</u> Corruption adopted in 2003.

- 1. Businesses should support and respect the protection of internationally proclaimed human rights; and
- 2. make sure that they are not complicit in human rights abuses.
- 3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- 4. the elimination of all forms of forced and compulsory labour;
- 5. the effective abolition of child labour; and
- 6. the elimination of discrimination in respect of employment and occupation.
- 7. Businesses should support a precautionary approach to environmental challenges;
- 8. undertake initiatives to promote greater environmental responsibility; and
- 9. encourage the development and diffusion of environmentally friendly technologies.
- 10. Businesses should work against corruption in all its forms, including extortion and bribery.

The Global Compact has become a "values-based platform for bringing the relevant social actors together in seeking joint solutions to the imbalances and dislocations resulting from the gap between the global economy and national communities" (Ruggie, 2004b). It is these imbalances and dislocations that hamper the balanced provision of public goods on a global scale. With the three instruments employed by the Global Compact—information sharing and learning, policy dialogues and partnerships—solutions can be found where public goods provision is deficient, lagging behind schedule or quality, and not inclusive.

An example that combines the three instruments is "Green Shipping Africa" on which a partnership was built between the UN's International Maritime Organization, 17 maritime authorities from across Africa and several shipping companies. The onset was a conference held in Ghana in February 2023, co-organised by the Danish Maritime Authority<sup>5</sup> and the Maritime Just Transition Task Force (<a href="https://unglobalcompact.org/take-action/think-labs/just-transition">https://unglobalcompact.org/take-action/think-labs/just-transition</a>) whose aim is to support a just and human-centred decarbonisation of the shipping industry. The members of the Maritime Just Transition Task Force are industry (the International Chamber of Shipping), labour (the International Transport Workers' Federation and the International Labour Organization) and the International Maritime Organization, representing national

<sup>&</sup>lt;sup>5</sup>The Danish involvement has its roots in the fact that its maritime industries have a long history of social links. This nexus supports a common mentality and attitude towards shipping, with mutually accepted social norms, formal organisations and laws, codes, and regulations (Sornn-Friese and Iversen, 2011).

authorities worldwide. With these diverse memberships, the new venture is the best way to secure progress in efforts to get the oceans clean, the atmosphere less burdened with carbon-dioxide, and providing new jobs, of which many will be available in Africa. As per a statement from a Global Compact officer:

"moving towards a low-emission global economy will create tens of millions of new, high-quality green jobs across sectors. Through ensuring a Just Transition to a green economy, Africa has an opportunity to capitalize on the emerging green jobs of the future—in shipping and beyond".

"Green Shipping Africa" promises to become effective, not least because decarbonisation is an uncontested issue on all global agendas. The initiative contributes to offset, at least in part, the overweight of the climate change theme. It raises attention on resource exploitation and working conditions in developing countries, which (by the general public, at least) is badly neglected. Still unobserved, mostly, by the general public, the Global Compact, and pressure by CSOs, has led to the issues of resource exploitation and working conditions being increasingly taken up through cross-sectoral partnerships. One other example is the Extractive Industries Transparency Initiative (EITI), an international organisation that obliges member states to comply with a standard for transparency regarding exploitation of oil, gas, and mineral resources. The mission statement of EITI has all the elements that can build social capital:

"We believe that a country's natural resources belong to its citizens. Our mission is to promote understanding of natural resource management, strengthen public and corporate governance and accountability, and provide the data to inform policymaking and multi-stakeholder dialogue in the extractive sector" (https://eiti.org).

Over 50 countries have committed to strengthening the accountability of their extractive sector management. A very valuable effect is that a country's EITI membership has also helped to build trust in its politicians (Villar, 2020).

Another case is the Ethical Trading Initiative (ETI), a London-based alliance of companies, trades unions and CSOs: it promotes respect for workers' rights around the globe. Companies that join adopt a code of labour practice that they expect all their suppliers to work towards. Codes address issues such as wages, hours of work,

<sup>&</sup>lt;sup>6</sup> https://unglobalcompact.org/news/5009-02-15-2023.

health and safety and the right to join free trade unions (<a href="http://www.ethicaltrade.org">http://www.ethicaltrade.org</a>). These organisations not only provide support to members but also to the communities affected by their members' business. They are part of a social capital that is formed by those communities and the respective government agencies; their objective is to arbitrate and monitor. For this, they collaborate with CSOs on the ground and with transnational CSOs. There are corporations that have yet to assess how to co-operate with those CSOs. EITI and ETI can provide support and install partnerships that utilise the power of both sides in terms of specific knowledge, communications expertise, and public credibility.

A case where it was not possible to build social capital for remedying a catastrophic situation was the failure of the international community to provide aid to the victims of the February 2023 earthquake in Syria's northwest. There was a political background to this because the region is held by the opposition to the Syrian regime that is backed by Russia. This motivated the UN relief agencies to not take the lead, and that prevented the other relief organisations from proceeding. One may see this as a moral obtuseness towards claiming the priority of saving human lives over all other considerations (Wintour, 2023). Sadly, it seems there is no power in the Global Compact to overcome political obstruction, and the Syrian failure is one of the situations where good will is bluntly extinguished and all efforts of an operation to rescue minimal wellbeing are reduced to useless. There is some hope through the Global Compact being complemented by a "Global Compact on Refugees", established by the United Nations General Assembly on 17 December 2018 and that affirms a comprehensive, multistakeholder approach to refugee situations. However, as a commentator said, it will stay unfinished work if it only spells out new modalities for international co-operation and not specific commitments (Aleinikoff, 2018). Harsh to say, but even the United Nations is ostensibly powerless against the realities of evil powers attacking the world order.

A field where the gist of the United Nations' far-reaching power is more effective in building global social capital is seen in the activities of the World Trade Organization (WTO) and the United Nations Conference on Trade and Development (UNCTAD). As their main concern is building a better foundation for global wellbeing, many of their pursuits are closely related to SDG implementation: the WTO mission statement says it is about "ensuring a level playing field for all, thus contributing to economic growth and development", and it clarifies that businesses, consumers and the state are all alike. "Level playing field" is not merely a phrase. Arranging for equitable

<sup>&</sup>lt;sup>7</sup>https://www.who.int/gho/publications/world\_health\_statistics/2019/en.

conditions is the quintessence of WTO corrective actions (see, e.g., Grané, 2001). Similarly, UNCTAD, one of whose primary roles is to provide investment treaties that warrant fair conditions for all parties, establishes level playing fields among national governments, enterprises, and civil society organisations. The United Nations Human Rights Council (UNHRC), monitors whether businesses and states comply with thematic human rights issues like women's rights, freedom of belief and religion, freedom of expression, freedom of association and assembly, and the rights of racial and ethnic minorities. The United Nations Forum on Business and Human Rights, set up by UNHRC in 2011, uses its Guiding Principles on Business and Human Rights to prevent and address the risk of adverse impacts of business activity on human rights. Likewise, guidelines for business cases have been established in the field of ecology by UNCTAD's sister organisation, the United Nations Environment Programme (UNEP), such as "The Business Case for the Green Economy: Sustainable Return on Investment" (UNEP, 2012). They also address the need for equity in international economic rules; the call is for a "hand-in-hand association" among equals—whether rich or poor (see, e.g., Saner, 2016). One may call this rules-setting, but the outcome pivots on social capital from the onset.

# **CONCLUSIONS: BUSINESSES, INDIVIDUALS AND STATE** ACTORS CONTRIBUTING HUMAN AND SOCIAL CAPITAL TO SDG IMPLEMENTATION

As no members of a society, anywhere, act in isolation, whether individuals, businesses, or state authorities, the pursuit of their own interest always crosses each other's paths in the process. Their pursuits often have external effects, i.e., effects that spill over into the spheres of the others. The external effects that are most pronounced come from the delivery of public goods. For instance, people who defend their homeland generate positive externalities; they benefit other members of the society, not just themselves. In the light of these effects, one may claim that society is *obligated* to produce public goods, and to produce them communally, by collaborative action. With sustainable development being equivalent to secure wellbeing for all through maintaining and expanding public goods, all human efforts for this objective—all human capital and all social deployed—will serve the global transformation towards maximum fulfilment of the UN 2030 Agenda.

Whichever format of monitoring is chosen, it is state actors, businesses, individual citizens, and their representations by parliaments as well as by civil society organisations that must co-operate openly and without preconditions. This works well on the local and state levels even though there may be free riders and negative externalities. On the international level, co-operation to procure and defend global public goods is much more difficult. The war that Russia started against Ukraine has shown how one party that obstructs co-operation in all fields can destroy peace, security, and the wellbeing of hundreds of millions of people. Global public goods have become vulnerable, also, through digitisation of all processes in all spheres of human life. Not even on a regional level can statal authorities protect their constituencies against cybercrime and misuse/ falsification of publicly available information. Attempts must be made on the global institutional level to regulate this and other social affairs and thus protect public goods.

Citizens, and this includes corporate citizens because businesses are members of society, must ask themselves what they can do to help secure the benefits of public goods. But they must also rely on worldwide institutions to "get it right", as per a statement of Nobel laureate Amartya Sen (Sen, 2010, p.57). When citizens trust in public institutions, they look for effectiveness, in the first place, Sen claims, not for a "just" institution, and he asks for policy-makers to broaden their perspectives beyond national borders. On a global level, provisioning the SDGs calls for such a broad perspective. Climate change, the weakness of cyber-security, economic or military warfare and their aftermaths will augur imminent restructurings of the global economic order as per a COVID-crisis-briefing by McKinsey (Craven et al., 2020). For this to happen, many institutions (and businesses) will have to collaborate globally. This would produce new types of relationships between state authorities and civil society (new social capital), a redefinition of intergenerational relationships, better recognition for which priorities to set in SDG implementation for how to make sure their benefits reach all

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**Dr Roland Bardy** is owner of BardyConsult in Mannheim, Germany, where he mainly engages in management education. His last academic assignment was Executive Professor at Florida Gulf Coast University. He has a BSc in Chemistry from Vienna (1964) and an MBA (1969). Dr

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