



MNEs and United Nations' Sustainable Development Goals

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1 Introduction

United Nations' Millennium Declaration emphasized the collective responsibility to uphold the principles of human dignity, equality, and equity at the global level. In the Millennium Summit of 2000, the world leaders agreed on eight sets of Millennium Development Goals (MDG). At the same time, the Millennium Project Committee put forward 15 global challenges to be addressed. These included reduce poverty, improve healthcare, promote human rights, enhance education, strive for gender equality, ensure environmental sustainability, clean water, and develop global partnerships (Millennium Project, 2006, 2021). Encouraged by the results thus far, such as on poverty reduction (World Bank, 2013), at the Sustainable Development Summit of 2015, a new document, "Transforming our World: The 2030 agenda for Sustainable Development" was agreed upon and released. This document presented the revised agenda for MDGs, extending them to 17 and giving them a new name, "Sustainable Development Goals" (SDGs) with 169 accompanying targets (United Nations, 2015).

It was realized that reducing the poverty level to 50% by 2015, which was already achieved in 2013 was considered a big achievement (World Bank, 2013). The biggest contribution came from China, and if we took away the China effect, the progress was less impressive (Ghauri et al., 2018). There were several important sectors such as health and sanitation, energy supply, and improvements in infrastructure that had not made much progress since the inception of the MDGs in 2000. New promises and commitments were made to achieve the renamed SDGs by 2030. It was

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also emphasized that these SDGs are interconnected, so that to reach the target for one goal, progress must be made in reaching the targets for other goals. For example, poverty alleviation can only be achieved if more employment opportunities and working conditions are created, education levels are increased, and there are improvements in health and sanitation (Ghauri et al., 2018; Michailova et al., 2020). Similarly, the resources and technological capabilities of the governments in many of the developing and emerging economies are not conducive to achieving any of these goals on their own. The role of MNEs is therefore imperative for the achievement of the SDGs (Kolk et al., 2017).

In this chapter, we argue that without MNEs' participation and commitment and collaborations between MNEs and international and local policy makers, it is impossible to make real progress toward achieving the SDGs. Several earlier studies have called for such collaborations for achieving an inclusive society (Boddewyn & Doh, 2011; Hadjikhani et al., 2012). In recent years, more and more studies have highlighted positive and negative externalities created by MNE activities in developing and emerging economies (Comyns, 2019; Ghauri & Wang, 2018). We outline how MNEs can contribute to each of the SDGs by adding value or mitigating harm through their activities directly related to their business as well as indirectly through their engagement with the community and society more broadly in the developing world.

2 The Role of MNEs

Several studies have investigated the role of MNEs in technology transfer and linkage effects in developing countries (Firth & Ghauri, 2010; Giroud & Scott-Kennel, 2009). We can also find several studies that have been studying the role of MNEs in developing countries for different development issues, for example, sustainable energy, climate change (Kolk, 2016), decreasing inequalities (Newbury et al., 2014), and promoting public-private partnership (Hadjikhani et al., 2012; Ritvala et al., 2014). As we can see most of these studies were performed prior to the announcement of SDGs, these deal with one or two issues related to development and technology transfer. In that period, connecting these issues was not envisioned by researchers in IB.

Most of the IB research in the past encircled the idea how MNEs can create a competitive advantage using their resources and capabilities in the most efficient way (Buckley & Ghauri, 2004, 2015; Kano & Verbeke, 2019). This means that incorporating the SDGs and externalities of MNE activities abroad and how these can influence the competitive advantage of MNEs has largely been ignored. More recently it has been proposed that positive externalities can help MNEs build a stronger competitive advantage, while negative externalities can damage their competitive advantage (Montiel et al., 2021). This means that to theorize the role of MNEs in achieving the SDGs and achieving competitive advantage through the SDGs, IB researchers need to think differently. This also means that MNEs need to think about creating positive externalities and minimize negative externalities if they

want to be competitive in global markets. This is a major departure from the earlier perspective where the main task of firms, including MNEs, was profit maximization (Debaere, 2018; Friedman, 1962). We support the argument that this would lead to a different decision-making process where MNEs will be forced to work together with local governments and international organizations and place their CSR at a higher priority (e.g., Forcadell & Aracil, 2019; Kolk, 2016).

We therefore believe that MNEs can play a significant role in achieving the SDGs. In other words, we contend that without MNEs' participation, the mission of achieving the SDGs will be seriously undermined. Zooming in on the SDGs, we illustrate below what MNEs could do and how they might go about it in each of the SDGs and ultimately contribute to achieving all of them (see also Montiel et al., 2021).

2.1 17 SDGs and the Role of MNEs

Goal 1: No poverty—End poverty in all its forms everywhere. Generating good-quality employment, not least measured by wage level, working conditions, and skill development opportunities, is critical to address this goal. MNEs can contribute to this through responsible sourcing of their products in poor countries and marginalized communities and by setting up and operating subsidiaries directly in or nearby these locales. This will contribute to decent work and human capital development to eradicate poverty. MNEs can also address the corruption problem through enhancing financial inclusion, particularly in countries with a relatively high level of corruption (Forcadell & Aracil, 2019, see also Goal 16).

Goal 2: Zero hunger—End hunger, achieve food security and improved nutrition, and promote sustainable agriculture. Wars, poor farming conditions, and the lack of manpower and human capital have been some of the main reasons for food insecurity in poor communities and war-torn territories. MNEs can assist in deploying technology and artificial intelligence to develop smart agriculture in poor regions through collaborations with international organizations and local governments to facilitate sustainable agriculture.

Goal 3: Good health and well-being—Ensure healthy lives and promote well-being for all at all ages. Good health and well-being are achieved, among other things, through preventative actions and making medical supplies accessible and affordable to the poor communities. MNEs can contribute to this goal by promoting good occupational health and safety standards at the workplace and raise the workforce's knowledge about health and well-being. In developing countries, many of which have a collectivist culture and a paternalist style in which the company treats its employees and their family members as part of the extended family, MNE subsidiaries may adopt employee involvement schemes by involving the employees and their family members to identify health and safety hazards at home and the workplace and suggest solutions. Town hall meetings, billboards, and community outreach programs can also be used to promote employees' and

communities' understanding of health and safety issues as part of the CSR schemes (e.g., Cooke, 2018).

Medicine security is another important aspect of achieving this goal (Beran et al., 2019). The COVID-19 pandemic has accentuated the continuing, if not widening, inequality in access to medicine and other medical supplies between the developed and the developing world. What role have MNEs played in exacerbating or mitigating this gulf of inequality?

Goal 4: Quality education—Ensure inclusive and equitable education and promote lifelong learning opportunities for all. Good-quality education is the most important means for children and adults to acquire the human capital essential for their access to gainful employment. MNEs can be incentivized to participate in vocational education and training in developing countries to enhance their capabilities in ICT and other relevant technologies that will assist the labor force to develop skills for the digital future of work and lifelong learning. For instance, using Etisalat Telecommunication as a case study, Bello and Othman's (2020, p. 96) study revealed that this MNE "has made a significant contribution towards the development of the education sector in Nigeria."

Goal 5: Gender equality—Achieve gender equality and empower all women and girls. Gender inequality forms a significant part of inequality in many aspects of life (e.g., education, employment, access to healthcare) and is a major source of poverty. MNEs can contribute to this goal by promoting education for girls and women, providing skill training and employment opportunities to them, adopting work-life-balance policy to accommodate their family responsibilities, and other diversity and inclusion policies and practices in their subsidiaries. It is also an area where MNEs can work closely with international agencies, local stakeholders, and host country governments to make an impact (Terpstra-Tong, 2017).

Goal 6: Clean water and sanitation—Ensure available and sustainable water resources and sanitation resources for all. MNEs need to monitor and improve their environmental performance by reducing water pollution and providing clean water facilities in remote areas in developing countries. In some of the countries, there are no toilets or proper toilets in the rural area. Some small privately funded foreign firms also have very poor sanitary facilities for their workers in African countries (e.g., Akorsu & Cooke, 2011). MNEs can therefore contribute hugely to this matter by providing better and clean sanitation in their factories in developing countries and villages nearby. Some of the industries that are big users of water, such as leather and textile producers, beverages producers, and companies involved in some agricultural products, need to find more efficient ways to save water and to replenish the water they use with clean drinkable water. For example, BP is aiming to restock more freshwater than it consumes by 2035 (BP, 2021).

Goal 7: Affordable and clean energy—Ensure access to affordable, reliable, sustainable, and clean energy for all. Affordable and clean energy underpins the success in mitigating the negative effect of climate change (see also Goal 13). However, renewable and green energy, for example, green hydrogen is expensive to produce. One major barrier for poor countries to combat climate change is their lack of affordability to renewable energy or indeed any energy for some. MNEs can

play an important role in the transition from fossil fuels to green and sustainable energy sources through developing green energy projects in developing countries, taking advantage of natural resources such as wind and solar availability. Indeed, a small but growing number of multilateral agreements have been signed involving MNEs and governments to develop green hydrogen plants in Africa. For example, a partnership was established between Italian energy company Eni and local companies in Algeria and Egypt to explore the possibility of producing green and blue hydrogen in North African countries (Matalucci, 2021); and a green hydrogen production agreement was signed between Belgian DEME Group and the Egyptian Electricity Holding Company (Egypt Oil & Gas Newspaper, Sunday, 7th March 2021). It remains to be seen how effective these plans can be rolled out.

Goal 8: Decent work and economic growth—Promote sustained, inclusive, and sustainable economic growth, full employment, and decent work for all. Providing resources, opportunities for participation, and empowerment through inclusive business models is essential to achieving this goal, and the SDGs' overall aims of poverty reduction, ecosystem conservation, and improved food security (Vabi-Vamuloh et al., 2019). What are the drivers for Western MNEs to adopt inclusive business models? For example, according to Vabi-Vamuloh et al. (2019), contract farming, a common MNE strategy in the global food sector, can play a significant role in achieving SDGs. However, such a role is contingent upon the ability and willingness of small farmers to participate in the global food chain. MNEs in the global food sector can consider what mechanisms they can adopt to enable gainful participation from small farmers. In particular, MNEs and supermarket giants can consider extending contract farming to small farms in the developing world and poor communities to create decent work and economic growth in these regions.

An important issue to note here is the tendency of MNEs to outsource their production and service provision to low-income countries to exploit the abundance of cheap labor and low labor standards (Garcia-Sanchez et al., 2020). As Nobel Laureate Stiglitz (2002) cogently argued, global capitalism with its associated proliferation and expansion of MNEs in developing countries has so far aggravated income and spatial inequalities and reinforced the dependency of the poor on the rich and of the less developed on the developed countries. In the global value chain, the regulation of employment for decent work has taken place unevenly across different parts of the world, contingent upon the negotiation between the corporation and the state in transnational space, allowing for “commodification and exploitation of international labour” (Morris et al., 2021, p. 3), as evidenced in the 2013 Rana Plaza disaster in Bangladesh (Hoskins, 2015).

Goal 9: Industry, innovation, and infrastructure—Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation. Innovations to develop products and provide services that are accessible and affordable to the mass population especially in the rural areas in developing countries are critical to lifting people out of poverty and improving their quality of life. MNEs can adapt their innovation strategy (e.g., decentralized R&D and scalable design) to foster innovation capacity in developing countries particularly in marginalized communities. Young digital MNEs are well-positioned to play a role in accelerating

this goal (Denoncourt, 2020). In addition, MNEs can embrace the three elements essential to achieving this goal more strategically: engaging in innovations to solve problems simply and inexpensively, developing “‘business model innovation’ to bring the technological solution to market and reach new users,” and “creating a new value chain or business system, which draws the innovator together with other participating companies and stakeholders to organize coherent economic models” (Denoncourt, 2020, p. 199).

Goal 10: Reduce inequality—Reduce inequality within and among countries.

This goal is closely linked with Goal 8 in terms of what MNEs can do. MNEs can influence global talent mobility (e.g., brain drain) by creating skilled jobs to keep the skilled workers in poor regions to stay where they are to help the local development. This will contribute to reducing inter- and intra-regional inequality. MNEs can play a major role in creating qualified jobs in all the markets they go to. Several MNEs choose only to serve customers in cities and ignore rural markets, that is why they are blamed for serving only the elite populations in developing and emerging markets. It is therefore important that MNEs serve the whole market also people at the base of the pyramid (BOP). For this purpose, they will need to develop products that are suitable/affordable to these customers and use distributors and sales force from these rural areas. This will lead to a more inclusive society.

Goal 11: Sustainable cities and communities—Make cities and human settlements inclusive, safe, resilient, and sustainable. Resilience is an important dimension of SDG 11 (and a few other SDGs too explicitly and implicitly). Acuti et al. (2020, p. 99) explored the gaps “between theoretical considerations about the role of companies in fostering urban resilience and the practices they implement and disclose” by analyzing “138 sustainability reports from organizations operating in Italy and Japan to identify how the SDGs, in particular those targets concerning environmental and social resilience, are implemented in their activities and communicated in their nonfinancial reports.” The authors concluded that the resilience components of cities will be given more space and articulation in reports and that highly technical and complex details are unlikely to be included in the reports to maintain their readability for a wide range of stakeholders (Acuti et al., 2020). Acuti et al. (2020, p. 99) went on to suggest that because “greater attention to disclosure on the impacts of companies on resilience is a starting point for action towards achieving the SDGs,” future research can adopt new approaches to examining issues related to urban resilience and communicate the findings in a stakeholder-friendly way to improve the efficacy of urban resilience reporting.

Since many MNEs have their regional headquarters and subsidiaries in urban areas, there are many activities that MNEs can engage in to improve the resilience where they operate and communicate them to the stakeholders effectively. As examples, here are a few questions relevant for research and practice: in what ways, and to what extent, are premium cities attractive sites for undocumented labor with exploitative employment terms and conditions, particularly in ethnic and migrant businesses and communities (e.g., Cooke et al., 2021a, 2021b)? What may be the tension among sustainability, affordability, and inclusiveness, and how

can MNEs navigate through these competing demands by working with the local governments and contribute to achieving this goal?

Goal 12: Responsible consumption and production—Ensure sustainable consumption and production patterns. MNEs can contribute to developing the circular economy through their R&D capability, enhancing efficiency in the global value chain, packaging, and marketing campaigns. Leading MNEs have introduced recycling practices to reuse materials. For example, Nike is promoting a zero-waste policy by designing waste out of its products from the start, increasing production efficiency, and using alternative packaging (Nike Website, n.d.). Unilever has introduced refillable detergent and other toiletries bottles and reduced the number of brands in this category to almost half (Cavusgil et al., 2021).

Goal 13: Climate action—Take urgent action to combat climate change and its impacts. There has been limited research on the role of MNEs in climate change and energy transition (Kolk et al., 2017) even though the energy transition policy adopted by an increasing number of governments would have strong implications MNEs, for example, in regulating their energy use behavior and in incentivizing them to develop new products and production methods to reduce carbon emission (Ghuri et al., 2021). MNEs can influence the climate policy of nation states and their institutional systems. They can also participate in climate initiatives promoted by international organizations in developing countries. Moreover, MNEs can promote the adoption of renewable energy in their value chain and lead the energy transition and adopt sustainable/green human resource management practices to encourage the workforce to adopt green behavior (Chams & García-Blandón, 2019; Ren et al., 2018). It is important to note that economic and cultural factors in developing countries may affect the level of acceptance of climate initiatives promoted by international organizations and MNEs.

Goal 14: Life below water—Conserve and sustainably use the oceans, seas, and marine resources for sustainable development. MNEs can play a role through their R&D, innovation technology, and packaging to achieve pollution and protection of marine ecosystem throughout the globe. In the past few years, several scientists and television documentaries have consistently pointed out that our oceans are polluted with plastic. All the plastic packaging materials that are thrown in the seas and are not degradable are being swollen by fish and other marine lives. This has led to the fact that most fish we eat contain tiny plastic particles and doctors are recommending not to eat fish too often. Packaging material is the biggest culprit in polluting our rivers and oceans. The second biggest are chemicals that are thrown directly into the seas from manufacturing. There are now stringent regulations about this in the developed world but MNEs and/or their suppliers are not always following these rules. This can be easily avoided if MNEs follow the same rules and principles all over the world.

Goal 15: Life on land—Protect, restore, and promote sustainable use of terrestrial ecosystems. MNEs can influence farming and agriculture both in developed and developing countries by deploying digital technology to improve terrestrial ecosystems on a global scale. This must be done by protecting animals, especially endangered species, birds, and agriculture. MNEs that are using wood in their

products must look at sustainable forestry and check their suppliers, for example, through responsible sourcing. Destroying forest without a sustainable plan not only destroys the forest but also the life, animals, and birds, that live in the forest and destroys the ecosystem. It influences the weather systems and leads to more cyclones and floods.

Goal 16: Peace and justice strong institutions—Promote peaceful and inclusive societies for sustainable development. MNEs can contribute to this goal by facilitating institutional development and promoting equality and justice through their diversity and inclusion policy and practice in their host countries. For instance, the SDGs aim to alleviate poverty (SDG Goal 1), enhance health and well-being (SDG Goal 3), improve education (SDG Goal 4), and ensure access to clean water and sanitation (SDG Goal 6) (Sartor & Beamish, 2020, p. 725). However, extant research evidence indicates that corruption, which SDG Goal 16 targets, adversely impacts the achievement of these goals due to the uneven distributions of opportunities between those who hold power and those marginalized who are particularly in need of education and healthcare that has not been accessible to them, for example (Sartor & Beamish, 2020). Corruption is interpreted differently across cultural/societal settings, takes different forms, and involves both public and private institutions/organizations (Sartor & Beamish, 2020). We cannot presume that Western MNEs are the victims of corruption in host countries in the developing world; rather, they might be tempted to engage with the corrupt behavior when disincentives to do so are perceived not to be strong (Cooke et al., 2021a, 2021b). MNEs may consider the structure of their subsidiaries (e.g., joint ventures or wholly owned) to mitigate the investment environment (Luo, 2006; Sartor & Beamish, 2020) on the one hand and work proactively and positively with host country institutions to combat corruption and improve the institutional environment as part of their CSR (Rodriguez et al., 2006) on the other.

Goal 17: Partnerships for these Goals—Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development. It is unrealistic, as policy makers have recognized, to leave the task of achieving SDGs to private hands and MNEs, who have different goals than the well-being of the society and face institutional constraints. Several governments and supranational organizations have thus taken some actions. For example, the European Union (EU), where policy makers have been more proactive, has pressured MNEs to address their climate change, value chain, and sustainable packaging including recycling mechanisms responsibilities (Ghauri et al., 2018). As a result, positive outcomes have emerged. Due to all these initiatives, the overall impact on society has been quite positive. Moreover, companies have realized that the competitiveness of the MNEs involved had improved (Ghauri et al., 2014; Patnaik, 2020). A combination of regulatory pressures and MNE actions has brought positive results (Hsueh, 2019). Other policy initiatives, such as Net Zero 2030, are having a significant impact in certain industry sectors. For instance, in the automotive industry, all major car manufacturers are now switching their production to electric vehicles almost overnight (Yeganeh, 2019). In fact, some scholars and industry experts are raising alarms that when more than 80% of the energy generation is dependent on fossil fuels,

transitioning to electric vehicles, with zero emissions, would have any positive impact or not, as most of the electricity that is needed to charge these vehicles is still produced from fossil fuels (BP, 2021; Ghauri et al., 2021).

Clearly, to achieve SDGs, collaborations between the state, society, and MNEs and involvement of local actors and grassroots are essential (Arnold, 2018). Through the example of three case study MNEs, Forcadell and Aracil (2019, p. 101) illustrate, from a CSR aimed at institutional necessities (CSRIN) perspective, how MNEs “can co-evolve their CSR strategies” with the host country institutional system more proactively than responding to external pressure passively through adaptation and accommodation. Forcadell and Aracil (2019, p. 100) observed that MNEs “tend to join efforts with local governments or other firms and small entrepreneurs” in their CSRIN actions. These included, for example, bank funding MNEs’ clean investment and telecom infrastructure building through the public-private partnership program. Stakeholder alliances like these promote institutional changes by meeting different institutional necessities and contribute to SDGs (Forcadell & Aracil, 2019).

2.2 Bigger than the Sum: Interconnections and Mutually Reinforcing Effects of SDGs

So far, we have exemplified how MNEs can play a role in achieving each of the 17 SDGs. However, as we alluded to, achieving one SDG depends on that of the others, and the impact of achieving each one of them is larger than the sum because SDGs are interconnected and efforts in achieving one SDG will contribute to the achievement of the others directly and indirectly. For example, innovation (see also SDG Goal 9), in particular, frugal innovation, can help provide solutions to problems confronting the lives of those in poor communities by using limited resources (e.g., Brem & Wolfram, 2014; Rosca et al., 2016). In a review of 50 frugal innovation cases targeting low incomes or Bottom of Pyramid (BOP) markets, Arnold (2018) found that inclusive approaches are key to frugal innovations, which have been mainly provided by the private sector, particularly by small- and medium-sized enterprises and nongovernmental organizations. Arnold (2018, p. 265) went on to argue that inefficient institutions in BOP markets can serve as drivers for MNEs “to develop new and inclusive businesses to create values and to enforce the SDGs more directly and at a higher level than have been found the case. Similarly, SDGs 6, 7, 13, and 15 are interconnected and MNEs can contribute to achieving these goals by ‘reducing the overuse of natural resources’ and fostering positive change (Montiel et al., 2021).

3 Looking to the Future in a Realistic Way

The COVID-19 Pandemic has exposed our weaknesses in many dimensions, including the unpreparedness for governments to combat the global crisis, policy (mis-)orientation, and poor implementation of policies. The inequalities in the world are in

Table 1 Value of investment projects in SDG sectors (a), by region (Millions of US dollars)

Region	2010–2014 average	2015–2019 average	Pre-COVID-19 trend (b) (%)	COVID-19 impact (c) (%)
Developed economies	79,036	86,739	10	21
Developing and emerging economies	124,571	151,779	22	–33
Africa	21,099	32,943	56	–39
Developing Asia	59,873	75,452	26	–23
Latin America and the Caribbean	34,395	31,967	–7	–40
Transition economies	8344	11,226	35	–28

Source: Based on UNCTAD, 2021a and on Financial Times, FDI Markets (www.fdimarkets.com). (a) Which are partially or fully owned by foreign public or private entities. (b) Changes in the five +year averages from the period of 2010–2014 to the period of 2015–2019. (c) Changes from 2019 to 2020

fact increasing and not decreasing. The optimism of the last two decades where emerging economies were considered the focal points for sources of growth for the world (Cavusgil et al., 2021) has now vanished. The share of developing and emerging economies toward global growth has fallen by 60% (UNCTAD, 2021b).

In 2019, achieving SDGs by 2030 was considered to be on track, as there were plenty of new investments coming from international organizations and public and private sectors into the SDG-related sectors. This has been disrupted due to the pandemic; the SDG-related new investments have fallen, particularly investments in infrastructure and climate change-related projects (UNCTAD, 2021a). Infrastructure projects financed by the private sector and international organizations have fallen by 60%, and food and agricultural projects are down by around 50% (UNCTAD, 2021a).

The investment level in the developed world relevant for SDGs has, however, not been influenced to that extent. Table 1 shows the decline in investment in sectors that are directly relevant to SDGs in developed versus developing countries and different regions of the world. Table 1 is quite revealing as it shows the investments prior to SDGs, the progress immediately after its announcement (2015–2019), and the impact of COVID-19.

The decline is more pronounced in the developing and emerging economies and even more so for least developed countries in Africa and Latin America. The situation is opposite to the developed world, where many large infrastructure projects have been announced by governments to stimulate the recovery after the pandemic. Most of these projects are in sectors that are directly related to the SDGs. This means that developing economies are more exposed to post-pandemic depressions as these countries are not able to finance large publicly financed projects and remedies. These countries were already struggling with foreign debts and have drowned further in debts due to COVID-related lockdowns and their impact on economies. There is an increase in poverty and inequalities in most of these countries

due to job losses, illness in families, and depressing prospects in most sectors (UN-DESA, 2020).

MNEs are thus in an unprecedented position to play a role in developing countries and to finance SDG-related projects that will in the long run help them improve their competitive advantage as well as their “do good” image in international markets. Several MNEs are thus financing infrastructure projects in emerging economies. Some examples are Enel (Italy), Engie and EDF (France), KEPCO (South Korea), and Iberdrola (Spain); all these companies are investing in sustainable alternative energy sources. Unilever has been one of the first companies that have taken several actions toward the achievement of SDGs. It was the first company to introduce paper-based laundry detergent bottles and created refillable bottles for several other products, recyclable toothpaste tubes, and eco-friendly toothbrushes to contribute positively against climate change and environmental protection. Unilever has declared that it will achieve zero emission from its operations by 2030 (Cavusgil et al., 2021; Unilever, 2021).

BP has integrated the achievement of SDGs in its mission for each of its focal areas, people, and the planet. It is aiming to reduce emissions to achieve net zero by 2050. It has committed to creating a safe and secure workplace for workers all over the world. It is working with other MNEs such as Microsoft to create efficient energy systems to reduce pollution (BP, 2021). MNEs can play a significant role not only by collaborating with governments and international organizations but also by working with other companies to create synergetic impacts.

It is, however, important to point out that policy makers and managers from MNEs are often creating new discourses to hide their inefficiencies and to show that they are taking actions on important matters for people and society. When transplanting to the business, the rhetoric may or may not have any meaning or different managers might give different meanings to these terms for cognitive or performative reasons. Fancy terms are often used in corporate communications to fill a vacuum or to impress their stakeholders that they are doing something good to establish their credibility that they are keeping up with the new realities. IB research therefore needs to look deeper into these issues to separate rhetoric from reality and the impacts of corporate actions on various stakeholders, particularly in developing countries. For instance, van den Broek (2020, p. 1) analyzed available online SDG-related communications, including financial and nonfinancial reports, of 29 large French MNEs for 2016–2017 and found that these firms were able to develop a variety of narratives to interpret their past actions, project their images, articulate corporate aspirations, and outline strategies related to CSR and SDGs. Van den Broek's (2020) study shows how MNEs use narratives in sequential steps (e.g., past, present, and future) to “build a new corporate identity.” It will be fruitful to research further the extent to which these firms have been able to use these narratives to help them distill clearer visions, strategies, and implementation plans regarding their CSR and SDGs. Such research endeavor requires an interdisciplinary lens based on sociology, political science, economic geography, and so on. This will enable us to discover new realities, identify problems to be addressed, and explore

how they can be tackled and lessons to be learned, with implications for policy makers and MNEs so that they can create positive externalities for society in general.

Equally, we should not assume that MNEs are superheroes. Instead, they are learning by doing and learning by failing as they embrace CSR and the SDG agenda. For example, Kumi et al. (2020, p. 1) examined CSR initiatives undertaken “in the mining and telecommunications sectors in Ghana in their bid to operationalize the SDGs” and found that, while there is potential for the private sector to contribute to the achievement of several SDGs, “the short-term nature of interventions, the lack of coordination between private sector actors and meaningful community participation, stand to limit this potential.” Nevertheless, progress has been made in different parts of the world. Derqui’s (2020, p. 1) longitudinal study (2013–2019) of the evolution of MNEs’ CSR strategy in Spain suggests that “a paradigm shift is taking hold”; in other words, “sustainability is not an altruistic option for managers anymore, it is now considered a source of revenue.” MNEs may also pick and choose those SDGs that are less costly and yield more results quickly. For example, van Zanten and van Tulder’s (2018, p. 208) study of 81 European and North American Financial Times Global 500 companies indicates that “MNEs engage more with SDG targets that are actionable within their (value chain) operations than those outside of it, and more with SDG targets that ‘avoid harm’ than those that ‘do good’”. More research can be conducted in the future to capture how MNEs’ SDG attitudes, strategy, and practice are evolving and maturing and what may be the key driving forces for the transformation in this area.

4 Conclusion

SDGs are essentially a global vision for a better world developed by the UN to eradicate poverty and inequality. Encouraged by the achievements of millennium goals of poverty reduction in 2015, these SDGs were put forward with a hope to achieve most of these goals by 2030. However, social and economic problems that SDGs seek to address are often historically and politically entrenched. Achieving SDGs, therefore, requires stakeholders’ joint efforts to think of ways to mitigate political, economic, and social exclusion by creating and providing resources, participation opportunities, and venues of income generation to improve the quality of life of millions of those trapped in poverty and are facing inequality. MNEs can play an important role to mitigate harm and create value for society and communities where they operate directly and indirectly through inclusive financing and subcontracting, capital investment, technology transfer, frugal innovation, employment creation, education promotion, skill training, health and safety intervention, and more. As we have discussed above, many of these goals can be tackled by MNEs directly, while for others they can play an indirect role and/or work with other stakeholders to play a positive role. We have also provided several examples of companies such as Unilever and BP, showing that many of these goals can be achieved. Building on the emerging body of publications in this field, the research community can also engage in research in this area more deeply to identify

challenges, opportunities, constraints, and good practices. That would provide us with useful lessons that can be learned and can provide recommendations for policy decisions and management practices. However, as with CSR, many companies have realized that they need to show that they are actively working to reduce inequalities and injustice in society and are using the “right” slogans in their marketing material, the so-called green washing. It is, therefore, our responsibility as researchers to investigate how much of this is really happening and how much of this is green-washing, to separate the rhetoric from the reality. As for achieving the SDGs, we believe that the COVID-19 pandemic has left a deep scar and it is improbable that all these goals can be achieved by 2030. As soon as we are back to normality, these SDGs need to be revisited, and the UN and other international organizations need to rethink how the world can get back on track to reduce inequality and injustice, particularly in developing and emerging markets.

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