

# Goals of sustainable development as a manifestation of globalization: new global and domestic trends

Vladimir Urazgaliev<sup>1\*</sup> and Galina Menshikova<sup>2</sup>

1. SPBU, Department of economics, 199034, Sankt Petersburg, Russia
2. SPBU, Department of sociology, 199034, Sankt Petersburg, Russia

**Abstract.** In the list of the most important manifestations of global trends, one cannot but see the UN activity in spreading the Sustainable Development Goals. This publication will discuss, firstly, the theoretical aspects that justify it and secondly - the difficulties and successes of the Russian business in its implementation. In relation to the theoretical part general methodological issues of organizing its monitoring of the SDGs at enterprises are analyzed. Here the choice of direction (and indicators) by enterprises are described, the structure of goals selected in different countries (SDG industry matrix) is depicted, methods for evaluating the effectiveness of measures are shown. As for Russian problems, the publication describes the general directions of state and supranational business promotion, as well as identifies some of the most successful business incentive practices. There are also named companies - country leaders. Using the data of a sociological study conducted by the Russian Union of Industrialists and Entrepreneurs business associations the specific features of the implementation of tasks in the country's business are given. As a result of the publication, authors give the general assessment of Russian business as corresponding to the initial stage.

## 1 Introduction

The most important global trends of our time include the UN course on the implementation of the Sustainable Development Goals (SDGs). Despite serious criticism of the methodology for monitoring the transformation of the economic course [1] and the common accusations of “imposing” a single model on all countries, which limits their ability to take into account their particularities [2], it is impossible not to give positive assess to its very idea.

The Russian Federation, as a member of the UN, was at the forefront of this movement and in 2015 signed an agreement on the implementation of the SDGs in the practice of governing the country. There was established a center to coordinate efforts in this direction

---

\* Corresponding author: [v.urasgaliev@spbu.ru](mailto:v.urasgaliev@spbu.ru)

- the Interdepartmental Working Group (IWG) under the Presidential Administration on Climate Change. In the Russian Federation, a reformulation of part of the indicators of the national strategic plan 2018-2024 and other documents was carried out.

In general, the activity of Russian Government cannot be considered high. It has not adopted the relevant Laws or Decisions (Decrees of the President), and the level of the IWG as the body guiding the country's transformation strategy cannot be considered high, able to solve this problem. It seems that no less important is the silence about the new course in the press. The same is with reflection of the education system on it – they are minimal. The vast majority of Russians know little about it. There are no corresponding broadcasts in the media, and curricula of universities and schools have not been adjusted.

Two tables illustrating the Russian situation compiled by us are given below. In the first – the difficulties of adaptation of the Russian Federation to the statistical indicators required by the UN are briefly summarizes. In the second - indicators of the compliance of the situation in the country with the requirements of 17 SDGs are estimated.

**Table 1.** The share of SDG monitoring indicators (in %) not covered by Russian statistics because of methodological difficulties

Goals	%	Goals	%	Goals	%
1. poverty liquidation	50	7. inexpensive and clean energy	33,3	<b>13. the fight against climate change.</b>	100
<b>2. liquidation of hunger</b>	<b>45</b>	<b>8 decent work (and economic growth)</b>	29	14. marine ecosystem conservation	60
<b>3. healthcare</b>	18	<b>9. industrialization</b>	16	15. conservation of the earth's eco system	50
4. education	45	10. reducing of inequality	45	<b>16. justice</b>	<b>95</b>
5. gender quality	50	11. sustainable cities	75	17..partnership	44
6. clear water	46	<b>12. responsible consumption and production</b>	<b>80</b>		

Source: the table is compiled by authors

According to the UN methodology, it is proposed to calculate 232 indicators, out of which 142 in the RF have not been previously evaluated. Table 1 shows the proportion of indicators whose calculation contains difficulties. It reveals their relative well-being for goals 3, 8 and 9, as well as difficulties for goals 12, 14 and 16. The best and worst directions (goals) are highlighted in the table.

**Table 2.** Russia's willingness to achieve the various SDGs

Favorable situation	Acceptable situation	Extremely difficult
1. overcoming of hunger 2. overcoming of poverty 4. quality education, 7 efficient energy sources, 8. employment 11. sustainable cities and towns, 13. the fight against climate change.	5. bridging gender inequality, 6 access to clean water, 9. sustainable infrastructure 12. responsible production and consumption, 14. conservation of the ecosystem on land, 15. conservation of the ecosystem at sea. 17. state partnership with business	3 access to quality health care 16, building a peaceful society, 10. social inequality and poor quality of life

Source: table is compiled by authors using the article by A.G. Sakharov, O.I. Kolmar, [3]

Table 2 shows the assessment of the complexity of the tasks in relation to the SDG goals, given by both UN experts and Russian research groups. All experts characterize the readiness of the RF as corresponding to the initial stage of a new course.

## 2 Methodological approach

Analyzing the theories that underlie the implementation of the SDG practices, we outline and give a brief description of their three blocks: a common understanding of the variety of development challenges that society faces at its various stages: the SDG theory at the macro and at the micro level. At the same time, we note immediately the large number of foreign literature on the topic and its multidisciplinary focus. So, only Scopus level magazines contains 23,643 publications, and WoS - 13,681 (as of 08.08.2019). Literature reviews are presented in several articles [4,5].

2.1. Already in the 60-70 years of XX century, members of the Rome Club [6] identified the problem of finding the optimal level of economic development, formulating the so-called "limits of growth" beyond which the development of society contradicts the ecological balance. Pieterse G [7] names the following features of development goals that emerged at its different stages: as means to achieve progress (1800), as a condition for industrialization (second half of the nineteenth century) and economic growth (up to the first half XX century), as a condition of political and social modernization (second half of the XX century), including prosperity and well-being (1970s), increased opportunities for choosing a national course (1980s), structural reforms, deregulation, privatization (1990s), as well as conscious (social or authoritarian) design, structural and institutional reforms (XX1c.).

2.2. Considering the opposite directions in the development of the so-called developed and developing countries ("northern" and "southern"), a discussion has formed and remains about the possibility of common (for all countries) goals. As a result, a number of scholars have a negative attitude towards the approach as a whole [8-10] and others. They accuse the SDG developers of technocratism, in which cultural traditions and features of the historical and economical development are left aside. Barbier and Burgess [11] criticized the correctness of 17 goals selection. They showed also that from the position of systematic approach, there are no indicators of sustainability itself as a trend. Other authors [12] do not see in the monitoring indicators that evaluate the state's activity in introducing a new course. Two trends have developed: scientists insist on expanding the range of monitoring indicators [6], and practitioners, on the contrary, infuse on reducing and simplifying calculations. A third line has emerged that calls for a relaxed version of management. It identified as the curse for "Circular economy" [13].

The challenges of implementing the SDGs in different countries: [14] in Ireland, [15] in the Arab States, [16] in Russia, [17] in India, [18] in Poland, [19] in Ukraine, and others are described in many publications. The methods of calculating the majority of indicators evaluating the selected goals are relevant and continue to be discussed. Researchers [20] recognized that in 84 of them (for the year 2017) they were absent.

Although in a smaller quantity, but the topic is also analyzed in the Russian Federation. There was published a textbook: "Sustainable Development: New Challenges." [21]. Its authors comprehensively approached the problem by setting out the three blocks in the SDG study mentioned above. So far, not scientific, but populist literature is dominating in the Russian Federation. It introduces the essence of innovation, as well as the experience of other countries and UN measures. Of indisputable interest are the "Monitoring of Sustainable Development Goal Indicators at the Global and National Levels" compiled by Rosstat (2017) [22] and a study of Russian companies [23]. Moreover, in general, the number of Russian publications describing the topic is minimal.

No less diverse is the palette of foreign SDG' researchers in relation to the enterprises level. The institutional approach and case study are prevailing among them. For example, Kolk et al [24] described the establishment of the SDGs in transnational corporations, Thorlakson, de Zegher, Lambinn retail chains [25]. The Vildasen publication contains a

case study describing conflicts that arise between buyers, producers, stakeholders and staff during the implementation of the SDGs [26] It seems that publications substantiating the importance of innovation as a factor in the manifestation of social corporate responsibility and the formation conditions of reputations are extremely important [27,28]

Realizing the complexity of the transformations that must occur when transferring firms to new value systems, scientists have developed supporting tools: SDG matrices, compass and on-line platforms. So, they created several types of matrices, for example, an inventory matrix, which serves as a way to identify social problems and opportunities for the object of transition to the SDGs, an indicator matrix, which is a set of indicators selected by experts for assessing the development in directions, an achievement matrix (i.e. indicators by which objects are compared). The latter, as a rule, are presented in the form of Excel tables, where indicators for enterprises are entered.

Compass SDGs is a methodology made up of tools and information that help in transferring a business to new goals. A special platform has been created for its dissemination and exchange of experience on its application<sup>†</sup>. The approach is based on the identification of 5 stages, which enable a varied approach to the development of a new strategy. These stages include: understanding and internal adoption of SDG values (1), setting priorities (2), setting your own goals (3), integrating or disseminating goals among partners (4), reporting and communication (5). As compulsory conditions sufficient to enter the Global Compact, the compass considers compliance with national laws and human rights as well as respect for international standards. Scientists have developed a list of indicators for enterprises relevant to 17 goals, which facilitates the comparison of firms and specifies indicators for annual reports.

### **3 Implementation of SDG principles by Russian firms: technologies and problems**

Foreign experience suggested two methods that initiated the formation of this direction. The first is the creation of on-line platforms, according to the type “Business for piece”. The second is the organization of a company’ rating. So, the platform “Business for Peace” has been operating since 2013 [29] In parallel with it, since 2015, the UN launched the second one, the Sustainable Development Knowledge Platform, which aims to disseminate news and information about the process<sup>‡</sup>. The news is presented on the third UN platform. So, “Business for piece” is attended by 150 participants from 39 countries, which cover business associations, large corporations, as well as small companies. It has national branches - network portals in 21 countries. Its goal is to organize interaction between the companies included in it, to create conditions for the exchange of experience through regularly conducted webinars and annual seminars, to identify the best for the year [30]. The only company from Russia that is part of it is the Svirin family company (trade). Russian business plans to launch (before the end of 2018) its national platform, but for now, information can be exchanged on the UN business action Hub or on the RSPP website.

The second direction, initiating the spread of strategies embodying socio-economic transformations, including the SDG principles, consists of numerous ratings and rankings. They form a public arena for the implementation of social problems, its discussion, identify best practices and successes. There are many ratings. In relation to the SDG assessment and corporate responsibility one can mention Forbes, Corporate Responsibility magazine

---

<sup>†</sup> SDG Compass, <https://sdgcompass.org/business-indicators/>

<sup>‡</sup> Transforming our world. The 2030 agenda for SDG, UN, Knowledge platform, <https://sustainabledevelopment.un.org/index.php?menu=2361>

(identifies and publishes the Top 100 list), Corporate Watch (monitors large corporations to identify illegal actions), CSR Wire Rating and Awards, Ethisphere magazine (compiles list of the World's most ethical Companies), Corporate Knights (a law office in Toronto compiles a list of the top 100 SDG companies) and others.

In our country, the development of the SDG implementation movement is carried out under the auspices of the RSPP. It has been forming and compiling a rating of Russian firms for openness and responsibility since 2013. Given the relative closeness of Russian business, the most important component and prerequisite for implementing the SDG principles is the competition for the publication of final annual reports. At first (from 2013), it was carried out on the basis of published reports, and since 2015, they themselves began to send the required documents as implementation (by the RSPP and "European University in SPb) of the company indexes of openness and corporate responsibility. According to its results for 2017, not only the best companies of the country were identified, but also a draft law of the RF "On public non-financial reporting" was drawn up. 93 firms participated in the competition. Its purpose is not to identify individual winners, but to rank companies by level. The main advantage in the assessment was the openness of market positions, identification of risk areas and ways to overcome them. Experts, which included representatives of the Ministry of Economic Development, analytical companies and the business itself, were awarded the highest place ("five stars") to 22 companies, including Arosa, Atomredmedzoloto, Atomstroyexport, Atomenerg mash, Banks: VTB and Sberbank, etc. The number of enterprises attributed to the cluster of the best, increased compared to 2016, reaching 23% instead of 19. In the sectoral context, the leaders were representatives of energy, including nuclear.

Non-profit organizations also participated in the competition, presenting in their reports a variety of charitable practices, as well as reflecting the general trend - participation in educational activities. The winner among them was Diamond Autumn, a non-state pension fund. It is clear that for the contestants, the manifestation of corporate responsibility is access to foreign markets, the formation and development of the image and, as a result, the growth of trust of the population (consumers) to them.

## **4 First results of firm transformation towards SDG's**

Here are some data from a sociological survey conducted by the analytical Agency (led by Dolgikh E.I) [30]. Its authors identified three goals: to establish the level of awareness of company managers about the SDGs, to assess the willingness of enterprises to transition and to identify goals that they consider as priority ones. The study was conducted by interviewing of enterprise managers. It was interviewed 200 large companies, members of the RSPP. In parallel, company reports were analyzed (66 were analyzed). In addition, an online survey was conducted, during which responses were received from 78 questionnaires out of 400 proposed for completion.

Using a set of methods, SDG activists were identified. They were metallurgical and construction companies (12% each), telecommunication and financial firms (9% each), oil, gas and electricity companies (8%), food enterprises and transport (6%), forestry (5), retail trade and the chemical industry (4) and others (10%). Half of them were private companies, 24% - international branches and 23 - state-owned (with state participation) ones.

A survey of managers (the first goal of the study) showed that for 32% of them SDG trends were well known, for 32% were aware only in general terms. 20% know the goals, but do not imagine the possibility of their implementation at their enterprise. 9% are not familiar and 7 provided other answers. For most respondents, the source of information was events held by RSPP (82%) or other business associations (64%).

For the second task (assessment of the degree of implementation of SDG strategies in practice), such answers were received. 50% of firms began to implement elements of the SDGs, another 47 - are developing a policy for their implementation. At the same time, 11% of firms linked all SDGs with specific enterprise programs, 52% identified relevant guidelines and are accountable for their achievement, 18 only mention them in the final report and the rest do not. 56% of companies assigned responsibility for the implementation of the SDGs to a particular leader, 31% created a special unit (or by including it in the additional responsibility of existing services: ecology (45%), personnel management (37%), corporate relations department (26%).

In terms of priority among 17 SDGs dominated: sustained economic growth and full employment, a rational model of production and consumption, the achievements of a global partnership. The least relevant company policies were recognized: the fight against poverty and hunger, the reduction of inequality within and between the country, as well as the conservation and use of oceans and seas.

Respondents evaluated the reasons for the company's readiness to switch to a new strategy: it opens up new business growth opportunities (47%), promotes the growth of reputation and brand (45%), meets the requirements of international standards (37%), increases the effectiveness of risk management (32%), guarantees competitive advantages (28%). The following were identified as barriers: lack of an appropriate state policy, a clear understanding of goals and benefits. The most effective measures proposed by this strategy were: introduction of advanced innovative technologies (56%), accounting for the SDGs in reporting documents (35%), improving products and services in accordance with SDG standards (31%)

Respondents recognized the importance of events such as organizing thematic conferences (57%), educational programs (44%), attracting company specialists to participate in working groups (40%) and preparing analytical information on the SDGs in Russia (36%).

## **5 Conclusion**

Summing up, it should be noted that the Russian Federation was among the UN members who approved the SDGs strategy. However, like other countries, it was faced with difficulties in collecting reporting indicators: about one third part of them lacked calculation methods. This may be explained by a special approach to the SDGs as a globalization trend in the development of mankind. Starting from 2017, in general, all sustainable development goals are taken into account when drawing up government plans and strategies.

At the same time, we are in solidarity with Russian researchers [3], proposing to develop a comprehensive national SDG strategy that includes both national priorities and sectoral objectives.

Russian companies share the SDGs and are ready to implement measures reflecting them, first of all, those that put corporate rather than national tasks. It is difficult for companies to engage, for example, in the fight against hunger and poverty, provide support to ecosystems of the seas and lands, improve the justice system. Recognizing the need to increase the reputation of Russian business, RSPP (Association of Big Businesses enterprises) does a lot to consolidate them as a whole and in relation to given problem. It has become the main driver of the new trend, especially since so far only corporations (and not small and medium-sized businesses) have been included in the new development strategy.

A comprehensive sociological study of enterprises (2017) showed that the vast majority of corporate leaders know about a new trend, that they are trying (to a greater or lesser

extent) to integrate the development policy of companies into it. A survey of leaders revealed successful and problematic areas, as well as examples of best practices in restructuring management towards adaptation to the SDGs. Moreover, with a more active role of Russian government, this work could be more successful.

## References:

1. L. Ashander, J. Kliestikova, P. Durana, J. Vrbka, The decision-making logic of big data algorithmic analytics, *Contemporary Readings in Law and Social Justice* **11**, 57–62 (2019)
2. J. Pietrucha, J. Acedański, Financial depth and post-2008 change of GDP, *Equilibrium. Quarterly Journal of Economics and Economic Policy* **12**, 469–482 (2017)
3. A.G. Sakharov, O.I. Kolmar, Prospects for the implementation of the UN Sustainable Development Goals in Russia, *Bulletin of international organizations* **14**, 189-206 (2019)
4. G.M. Eichler, E.J. Schwartz, What Sustainable Development Goals do social innovation address? A Systematic Review and content analyses of Social Innovation literature, *Sustainability* **11**, 522-534 (2019)
5. J. Kalmykova, M. Sadogopan, L. Rosado, Circular economy – from review of theories and practices to development of implementation tools, *Resources, Conservation, Recycling* **135**, 190-201 (2018)
6. D. H. Meadows, D. L. Meadows, J.B Randers. *The limits to growth, A Report for the club of Rome' Project on the Predicament of Mankind* (Universe Book, New York, 1972)
7. J.N. Pieterse. *Development theory: Deconstructions/Reconstructions*. (SAGE publications, California, 2001)
8. U. Kothary, M. Minogue. *Development theory and practice, Critical Perspectives*. (Palgrave, London, 2001)
9. A. Greig, D. Hume, M. Turner. *Challenging Global inequality: development theory and practice in 21-th century*. (Palgrave, London, 2007)
10. N. Agarwal, P. Kwan, D. Paul, Merger and acquisition pricing using agent based modelling, *Economics, Management, and Financial Markets* **13**, 84–99 (2018)
11. E. B. Barbier, J. C. Burgess, Sustainable Development Goals indicators: analyzing trade-offs and complementarities, *World development* **122**, 295-305 (2019)
12. A. Miola A., F. Schiltz, Measuring Sustainable Development Goals Performance: How to monitor policy action in the 2030 agenda implementation, *Ecological economics*, **164**, (2019),
13. M. Biggery, D.A. Clark, A. Ferrannini, V. Mauro, Tracking the Sustainable Development Goals in an “Integrated” manner: a proposal for a new index to capture synergies and trade-offs between and within goals, *World development*, **122**, 628-647 (2019)
14. A. Kassenberg, Measuring for SDG; What does it mean for Ireland, *Administration* **65**, 41-71 (2017)
15. R. Hayman, The Contribution of Civil Society to Social development in the Gulf and beyond, *Development in Practice* **29**, 45-50 (2019)

16. D. V. Kuvalin, A. K. Moiseev, Y. V. Zinchenko, Russian enterprises at the end of 2018. Analyses of global SDG and difficulties in obtaining Bank Loans, *Studies on Russian Economic Development* **30**, 334-345 (2019)
17. S. H. R. Zaini, A. Akhtar, Modeling the Sustainable Development Goals for India – An Interpretive structural modeling Approach, *World Review of Science, Technology and Sustainable Development* **15**, 46-65 (2019)
18. D. Weilgirka, W. Szczepaniak, Eco-innovations of enterprises operating in Poland: against the background of EU countries, *Global journal of environment Science and management* (special issue), 113-121 (2019)
19. Y. Krykavskyy, O. Pokhylchenko, N. Hayvanovych, Supply chain development drivers in industry 4.0 in Ukrainian enterprises, *Oeconomia Copernicana* **10**, 273–290 (2019)
20. C. Egorenko, Monitoring of SDG indicators, *The Russian Federal State Statistics Service*. [online], Available at: <http://www.gks.ru/publish/cur/s1/egorenko.pdf> (2017) [in Rus.]
21. V. I. Danilov-Danil'yan, N. A. Piskulova. *Sustainable Development: new challenges*. (Aspent-press, Moscow, 2015)
22. N.V. Ignatova, Monitoring of SDG indicators on global and national levels, *The Russian Federal State Statistics Service*. [online], Available at: <https://docplayer.ru/69842066-Monitoring-pokazateley-celey-ustoychivogo-razvitiya-na-globalnom-i-nacionalnom-urovnyah.html> (2017) [in Rus.]
23. *Sustainable Development. The Role of Russia. A survey of Russian companies*, [online], Available at: <http://www.globalcompact.ru/upload/iblock/58d/Dolgikh-E.I.-Ustoychivoe-razvitiye.-Rol-Rossii.pdf> (2018) [in Rus.]
24. A. Kolk, A. Kourula, N. Pisani, Multinational enterprises and the Sustainable Development Goals: What do we know and how to proceed, *Transnational Corporations* **24**, 9-32, (2017)
25. T. Thorlakson, J de Zegher., E.Lambin, Companies' contribution to sustainability through global supply chains, *Proceedings of the National Academy of Science of the USA* **115**, 2072-77 (2018)
26. S. S. Vildasen, Corporate sustainability in practice: An exploratory study of the Sustainable Development Goals SDGs, *Business strategy and development* **1**, 256-264 (2018)
27. P. Crover, A. C. Kar, P. V. Ilavarasan, Impact of corporate social responsibility on reputation: insights from tweets and SDG by CEOs, *Intern. Journal of Information Management* **48**, 39-52 (2019)
28. N. Oliveira, A. Zanella, A. S. Camanho, The Assessment of corporate social responsibility: the construction of an industry ranking and identification if potential for improvement, *The European Journal of Operational research* **278**, 498-513 (2019)
29. Business for piece, *Face book platform*, [online], Available at: <https://www.facebook.com/BusinessPiece/>
30. Review of annual reports for 2017: on the verge of change, Analytical materials of RAEX and the rating agency "Analytics", [online], Available at: <https://raex-a.ru/project/report/2018/analytics> [in Rus.]