OPENERS

TO MANY PEOPLE OUTSIDE THE BUSINESS WORLD, *SUSTAINABILITY* IS JUST CORPORATE-SPEAK FOR ENVIRONMENTAL CONCERNS. Inside, its meaning keeps expanding to encompass every point at which an organization interacts with the rest of the world—supply chains, product life cycles, risk. Indeed, for many companies, after years of work reducing emissions and waste, it's easy being green—it's everything else that's a problem.

My Q&A this issue with "corporate idealist" Christine Bader describes the scope of work that committed people take on to make their employers do good while doing well. It's a lot more than reducing electricity bills and paper waste.

But it's nowhere near enough.

The flip side of multinational corporations taking an ever-larger share of societal power and authority from government is increased expectations and responsibility for keeping the world running smoothly. That means more than not leaking thousands of gallons of chemical waste into a town's water supply or not helping lay waste to acres of forest in producing palm oil. It means—it *should* mean—working toward keeping society as a whole healthy and stable. CEOs and boards need to think beyond the borders of their companies to what they can do to strengthen the entire environment in which they do business.

The issue of economic inequality, for instance, gets plenty of attention—but not as something relevant to corporate sustainability. And it should be on everyone's radar screen.

There's a general consensus that rising inequality poses a very real threat not only to societal stability but to economic growth, that a weak middle class is, to put it bluntly, bad for business. But business's role in creating that inequality—shifting money from workers to executives—is often overlooked.

In his new bestseller *Capital in the Twenty-First Century*, French economist Thomas Piketty looks closely at how, in the last half-century, the richest one-thousandth of American households have more than doubled their share of the country's wealth, from around 10 percent to more than a fifth. And who are the people at the top of the pyramid? Piketty estimates that 60 to 70 percent of the top 0.1 percent of earners are "supermanagers"—"that is, top executives of large firms who have managed to obtain extremely high, historically unprecedented compensation packages for their labor." As *The New Yorker's* John Cassidy summarizes, the main driver of income inequality "is that major companies are giving their top executives outlandish pay packages . . . Rising income inequality is largely a corporate phenomenon."

And it's more than just annual bonus checks: *Slate's* Jordan Weissmann points out that "an exceptionally tiny circle of Americans is not only commanding a greater and greater share of pay, but . . . they are successfully consolidating their fortunes far faster than 99.9 percent of the country. At the risk of sounding a little melodramatic, this is how an aristocracy gets built."

Aristocracies don't make for healthy markets for anything except luxury goods and cheap basic services, with not much in the middle—where most companies are.

The copy of *TCB Review* you're holding is a little thicker than what you're accustomed to; that's because, as I noted here in January, we've reduced our print frequency to biannual. This Spring issue includes our best work from the last six months.

Until the next print issue, published in October, please check out our newly freshened website, at tcbreview.com—you'll see a series of new blogs, content updated much more frequently, and a more reader-friendly design. And it'd be great if you signed up on the website for our monthly (no more often, and sometimes less) e-newsletter, alerting readers to new features.

MATTHEW BUDMAN
Editor-in-Chief