World Resources Institute

Sustainable Enterprise Program
A program of the World Resources Institute

A TOXIC INTERNATIONAL PARTNERSHIP (TIP)
(ABSTRACT)

A Toxic International Partnership is an exercise prepared by Thomas N. Gladwin, Stern School of Business, New York University. It is intended for educational purposes only.

This exercise is a chapter in the book ***Stakeholder Negotiations: Exercises in Sustainable Development*** (1995) edited by Alan R. Beckenstein, Frederick J. Long, Matthew B. Arnold and Thomas N. Gladwin. The book contains six exercises that illustrate how different institutions place competing demands on the natural environment, how they attempt to incorporate these demands on the natural environment, how they attempt to incorporate these demands on the natural environment, and how they attempt to incorporate these demands into a sustainable development strategy.

Exercise 5

A TOXIC INTERNATIONAL PARTNERSHIP (TIP)

During the 1980s, developed countries witnessed the rapid growth of a powerful environmental movement. One key international issue was the transport of hazardous waste from developed to developing countries. Economists argued that developing countries should have the freedom to seek economic development in ways that they considered appropriate. Environmentalists and individual citizens decried the ethical implications of these "toxic exports."

In the late 1980s, U.S.- based Treeton Chemical (a fictional company) chose to aggressively expand its chemical production and distribution activities in Europe in order to capitalize on the emerging European Community market. Rather than build new production and marketing capacity, Treeton bought Tossico Chemical, a well-regarded Italian company. Soon after this acquisition, Tossico was accused of transporting hazardous waste to Africa. While not technically illegal, Tossico's actions have drawn the attention of policy makers and environmentalists.

Treeton's European Division President has called an emergency meeting to review the incident and develop a response plan. You will represent one of seven Treeton executives that have been asked to attend this meeting. You will present your analysis and plan to the President of Treeton and , eventually, to Treeton's Board of Directors.