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**The Role of Business Elites
in Sustainable Development**
A “Networked” Research Agenda

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Abstract

Research on the conjunction of business elites and sustainable development fascinates practitioners and international organizations but faces methodological and data collection challenges within academia. Firstly, studies on corporate sustainability have promptly increased but have been extremely focused on an organizational level of analysis, which inhibits figuring out whether business decisions have an impact at the macro or societal level. Secondly, major policy recommendations on sustainable development point to the creation of networks and partnerships among business elites, governments and civil organizations but it is largely ignored which specific type of network configuration goes along with sustainable development. Thirdly, the literature on sustainable development often considered business elites as homogenous and concentrated, even though conflicting views exist regarding aspects of sustainable development. Finally, the influence of business elites on environmental, social and economic policies has been more supposed than empirically demonstrated. Past research has been unable to overcome these challenges in part due to insufficient data clarifying the full breadth of business elite connections with political and civil organizations nationally and transnationally, and the lack of a combination of analytical tools for analyzing multilevel characteristics and actions. The present paper proposes a research agenda to comprehend the role of business elites in sustainable development. Future studies should use network analysis as leverage, uncover the networks among business and political elites, focus on Latin American economies and regions, bypass case studies and develop cross-national and transnational analysis, and turn to a combination of causal methods.

Keywords: business elites | sustainable development | research agenda | Latin America | network analysis

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Contents

1.	Introduction	1
2.	Major Challenges and Avenues of Research	2
2.1	Micro-level Processes but Macro-Level Outcomes	2
2.2	Networks for Sustainable Development, but Which Networks?	3
2.3	Homogeneous Perception of Business Elites, but Conflicts within the Business Community	4
2.4	Relationship Assumed, but Indirect and Complex	5
3.	The Research Agenda	6
3.1	What Business Elite Networks Are	6
3.2	Which Dimensions of Sustainable Development	7
3.3	Where to Study the Role of Business Elites in Sustainable Development	8
3.4	How to Study the Relationship between Business Elite Networks and Sustainable Development	9
4.	Further Contributions	10
4.1	Determinants of Inequality	11
4.2	Networks and Institutions	11
4.3	State Capture	12
5.	Conclusions	13
6.	Bibliography	14

1. Introduction

Whether business elites have ways of accessing political elites, capitalizing on foreign trade, influencing working conditions and the quality of the air we breathe, the accurate analysis of business elites is necessary for understanding sustainable development. Here, business elites comprise the largest corporations and the people that rule them, and sustainable development means the right mix of economic, social and environmental policies for both the present and the future. The conjunction of the research fields of business elites and sustainable development has been underestimated. According to a review on Web of Science (Thomson Reuters 2017), only 19 out of the 25,750 publications on sustainable development refer to business elites or large corporations, whether in their title, abstract or keywords.¹ The few contributions that there are focus on specific local case studies, which prevents drawing broader conclusions. This lack of attention within academia contrasts with countless discussions in media and international forums about how business elites and large corporations must contribute to bold social and environmental reforms (Kiron et al. 2015; UN Global Compact 2015; Utting 2015). In a review of business sustainability research between 1995 and 2013, Montiel and Delgado-Ceballos (2014) showed that most of the discussion is taking place not in academic journals, but in practitioner journals.²

Building on that, we identified four major challenges that have hampered the full comprehension of the role of business elites in sustainable development. To overcome these challenges, this paper proposes a research agenda based on network analysis of the connections between business elites and governments, think tanks and civil organizations at a cross-national and transnational level. By doing so, this research bridges the hitherto disjoint fields of business elites and sustainable development and contributes to theoretical debates on determinants of inequality, networks and institutions, and state capture. This paper is organized as follows. Section 2 presents major challenges for the conjoint study of business elites and sustainable development, and subsequently suggests avenues for research. Section 3 details a specific research agenda on the role of business elites in sustainable development based on the analysis of business elite networking patterns in Latin America. Section 4 discusses further contributions of the research on business elites and sustainable development. Finally, conclusions are drawn regarding the implications and future directions of this approach.

1 Results of the search for the terms “sustainable development” and “business elites” OR “economic elites” OR “corporate elites” OR “large corporations” OR “large firms” OR “business firms” conducted in March 2018.

2 Moreover, research on sustainable development came mostly from environmental sciences and environmental studies, and less from social sciences (Thomson Reuters, 2017).

2. Major Challenges and Avenues of Research

2.1 Micro-level Processes but Macro-Level Outcomes

In management studies, business (or corporate) sustainability has attracted the attention of many scholars (see Dyllick and Muff 2016 for a review; Haanaes et al. 2011 2013). However, this literature has focused on the organizational level—the adoption of sustainability-related strategies by large companies (mostly under the rubric of “corporate social responsibility”) and its impact on corporate profitability—with less consideration for the impact on general society (Banerjee 2011; Hahn and Figge 2011). Approaches in research on business sustainability are inconsistent with deeper notions of sustainable development. Whereas business sustainability studies are located on the micro level of organizations, sustainable development discussions taking place among governments, scholars and activists, and the goals which they set, are located on a macro societal-level, focusing on the economy and society. The decoupling of business studies from this broader debate can explain the limited knowledge of the impact of business elite structures and actions on sustainable development at a macro societal-level. How can we better understand the effect of micro-level processes on macro-level outcomes?

Network science theories and methods can link both levels (the organizational-micro and societal-macro) because they enable the systematic study of the structural opportunities and constraints of a set of organizations and people to produce higher-level outcomes. Studies showed that inter-organizational and inter-personal networks enable coordination of interest (Gulati 1998; Palmer 1983), social organization (Granovetter 1994), cooperation (Child and Faulkner 1998), uncertainty reduction (Cook 1977; Schoorman et al. 1981), contagion (Davis 1991; Haunschild 1993), imitation or isomorphism (Powell 1990; Powell and DiMaggio 1991) and creation of institutions (rules of the game) (Owen-Smith and Powell 2008). Thus, by studying the largest corporations as nodes, and the multiple affiliations or connections of their ruling members as ties, network analysis enables to understand the prospects for influencing and engaging in larger and long-term projects. For instance, Mizruchi (2013) and Schifeling and Mizruchi (2014) showed, in a study based in the United States, that corporate networks have been fractured, and this leads, in conjunction with other factors, to the fact that business elites ignore and are unable to assist government in major societal problems, such as economic stability, inflation, the health system and foreign policy.

Some academics and practitioners have explored the point at which business elites have an effect on the development of nations, tax increases, poverty reduction, and the tackling of inequality (Acemoglu and Robinson 2012; DiCaprio 2012; Fairfield 2015; Reis and Moore 2005). Acemoglu and Robinson (2012) argued that institutions (rules of the game), often captured by business elites, determine the growth and enrichment of some and not others. DiCaprio (2012) noted that elites promote development when they see that there are incentives to do so, i.e. their individual objectives can be aligned with general objectives and social well-being. Fairfield (2015) accounted for the mechanisms by which business elites prevent being taxed. The question that all of them failed to answer is what role business elite networks play in the emergence of institutions or incentives for elites to contribute to sustainable development or social benefit.

As some network theories have argued, network connectivity and stability create standards, practices and rules of the game (White 1981), while at the same time configure a structure of incentives and mechanisms to articulate interests (Wellman 1988). The networks that business elites create with political elites form a framework for diffusion and diffusion of rules that affect the type of policies or laws that are passed. For example, Schoenman (2014) showed that where political and business elites formed broad networks, institutions emerged that benefited both and ensured the development of economies, such as in Poland. In contrast, in countries such as Hungary and Romania, where elites were not widely interconnected, the development of market institutions was biased and benefited a small group over the collective good, resulting in lower rates of economic development. In this way, business elite networks can be a structural antecedent that influences the type of institutions that emerge when development begins, and the generator or inhibitor of the incentives for elites to cooperate and generate class-wide projects.

2.2 Networks for Sustainable Development, but Which Networks?

The dominant policy directions of sustainable development point to the importance of the formation of broad networks of large corporations, state actors and civil organizations to foster sustainable development (GCNA and SDSN 2015; UN Global Compact and Bertelsmann Stiftung 2012; Utting 2015). However, the relationship of these networks with sustainable development outcomes is unclear and underspecified. For instance, what kind of ties and network configurations occur where policies are more oriented to sustainable development goals? Is the cohesion of business and political elites beneficial or detrimental to the generation of sustainable development outcomes? Are ties with international organizations relevant for achieving some or all of the sustainable

development goals? At a more fundamental level, the lack of consolidated databases on the connections and affiliations of business elites has inhibited progress in studies on the impact of business networks on policies related to sustainable development, beyond a few isolated local case studies.

Uncovering the affiliations and interactions of business elites with governments, business associations, think tanks, civil organizations and also with international organizations can shed light on the extent to which business elites have the capacity to influence the rules that structure their markets and the society in which they operate. The literature on finance and business management has sought to study the consequences of political connections of large corporations, but it has obviously been more concerned with analyzing managerial and finance issues such as access to bailout funds (Faccio et al. 2006), preferential access to credit (Duchin and Sosyura 2012), government contracts (Goldman et al. 2013), and especially companies' performance (Li et al. 2008; Silva et al. 2006). The focus of these studies is once again on the firm level rather than on larger questions about the role of elites in the society at the macro-societal level. Moreover, studies on business-state networks have centered on individual nations and dissimilar types of ties, hampering cross-country comparisons, with the exception of Faccio (2006).

2.3 Homogeneous Perception of Business Elites, but Conflicts within the Business Community

Very often business elites are considered as an obstacle to the formation of more democratic, sustainable and egalitarian societies (Cimoli and Rovira 2008; Paige 1998). Although this statement may be true in some cases, the assumption that business elites are homogeneous and cohesive hinders an understanding of when business supports sustainable development goals. Research on business elites' connections with organizations advising on environmental issues revealed significant disagreements within the business community (Hein and Jenkins 2017; Sapinski 2016). For instance, Hein and Jenkins, (2017) demonstrated that corporations whose directors are highly interlocked support anti-global warming policy think tanks, whereas corporations tied to universities, large foundations and national policy planning groups support pro-global warming policy think tanks. Conflicts within the business community were also shown in the analysis of the role of business elites in peace agreements. Business-state relationships such as access of business elites to the policymaking process were determined to engage the support of private sector to peace negotiations and resultant outcomes (Rettberg 2007). Relations of the business elites with the state, think tanks and civil organizations becomes a fundamental element to distinguish among different

clusters of business elites and, thus, a possible explanatory variable to explain diverse corporate political actions on sustainable development issues. Therefore, the analysis of the networking patterns of the business elites beyond boardrooms also reveals the differences (and similarities) within the business community, and allows exploring when business elites might even support sustainable development projects.

2.4 Relationship Assumed, but Indirect and Complex

The influence of business elites on environmental, social and economic rules and policies has been more assumed than empirically demonstrated, with some exceptions. One of them, Gilens (2012) showed how, after analyzing 1,779 policies in the US over a period of more than 20 years, the economic elites and groups representing companies have an independent influence on US policy, while groups representing poor or average citizens have little or no influence. But the decisions made by business elites on the boards of directors of large corporations travel a long, complex route from the moment that they are taken until they produce a policy or cause social change. For example, Murphy and Willmott (2015) noted that organizational change in companies, from large organizations to chains of subcontractors, has generated an increase in wealth for 1% of the population, a widening of income differences with the rest of the population, and consequently, the emergence of left-wing social movements and neo-fascist political parties. The relationship between business elite structures and sustainable development is indirect and complex, and involves a combination of factors. The methodological consequence of this is that it cannot be grasped adequately by using only bivariate correlational models. The challenge for researchers investigating business elites and sustainable development is to generate more complex relational models that incorporate the set of intervening factors since a network arises until an outcome result from it.

To do so, future studies should delve further into the understanding of causality. Network analysis provides a map of the relationships or lack of them between a set of actors. However, network analysis is unable by itself to explain any results that are not associated with these actors or ties, such as whether the cohesion of business elite networks promotes sustainable development. Networks alone do not explain the consequences, so it is also necessary to incorporate methods that shed light on the whole process from the point when a network is formed, until the results sought are obtained.

In summary, to bridge the fields of business elites and sustainable development, we should be analyzing both micro-level processes and macro-level outcomes, uncovering business engagement in political and civil organizations, identifying similarities and differences of business networking patterns, and using a mixed-methods approach. Past research has been unable to overcome these challenges in part due to insufficient data clarifying the full breadth of business elite connections with political and civil organizations nationally and transnationally, and inadequate analytical tools for analyzing multilevel actions.

3. The Research Agenda

The present paper proposes a research agenda to comprehend the role of business elites in sustainable development based on 1) uncovering and analyzing business elite networks, 2) focusing on redistributive institutions, and 2) developing complex relational models using a combination of methods. In the next sections, we detail what to investigate, where to do it, and how to carry out it.

3.1 What Business Elite Networks Are

Business elite networks (or corporate elite networks) are the set of stable relationships woven by large corporations and the people who lead and govern them. For over a century, it has been shown that business elite networks generate social cohesion, control, communication, collusion, and legitimacy (Jeidels 1905; Mizruchi 1996). In addition, business elite networks are a proxy for the study of the social organization of business elites, as they provide a relational map of the opportunities and constraints of elites' collective action, coordination, autonomy and control (Carroll and Sapinski 2011; Domhoff 2013; Useem 1984). While previous studies on business elite networks (or corporate networks) have mostly concentrated on corporate ties within the business sector, namely interlocking directorates and ownership ties among the largest corporations (see Sapinski and Carroll 2017 for an updated review; Cárdenas 2016; Mizruchi 1996; Windolf 2002), a few scholars have also uncovered affiliations of business elites with civil organizations, including non-profit organizations (Marquis et al. 2011; Moore et al. 2002), university trustees (Pusser et al. 2006), political bodies (Carroll and Carson 2003; Heemskerk et al. 2012), social clubs (Barnes 2017; Domhoff 1975) and, even, corporate-funded climate and environmental policy groups (Sapinski 2016). They reveal business elites use their ties to other powerful organizations to influence the rules that structure the markets and society in which they operate.

Therefore, we propose to uncover and analyze networks of business elites with state agencies, think tanks and civil organizations.

On the one hand, the analysis of connections between business elites and the state enables us to study the possibilities of consensus, conflict, negotiation and control in policy formulation or institution building. While there is a burgeoning literature on the effect of business-state relationships on economic development, especially in transition and emerging economies (Cali et al. 2011; Papaioannou et al. 2016; Saeed Qureshi and te Velde 2013; Sen and Velde 2009), the role of business-state networks on sustainable development is less considered, as Thorpe and Mader (2017) noted. On the other hand, the analysis of connections of business elites with think tanks and civil organizations is essential to understand possible situations of business influence in politics since some of these organizations generate public opinion, expert knowledge and thus policy recommendations (Plehwe 2014; Stone 1996). Data that documents the full extent of business elite connections with these organizations can provide a better understanding of which specific positions on sustainable development might be supported by business elites.

How business elites are interconnected is not only a discussion about the internal organization of elites, but is also a way of interpreting the capabilities (and weaknesses) of business elites to effect on macro-level societal issues. Networking patterns at the micro-level of a small number of actors can have an impact at the macro-societal level when the actors involved are organizations and people with powerful resources and positions, such as business and political elites. Networks among elites serve as a coordinating mechanism for business actors, amplifying their capacities to affect national and regional legislation. For instance, Schneider (2004) demonstrated that where business associations were encompassing, big business collaborated closely with the government in the design and implementation of major economic reforms.

3.2 Which Dimensions of Sustainable Development

An essential component of strategies for promoting sustainable development are redistributive institutions, those rules that move resources from one group to another and change the distribution produced by the market (Cimoli et al. 2018; Rothstein 2011). Beyond their strong potential for reducing inequality, redistributive institutions such as social protection, fiscal policy, peace agreements or land property rights are key for promoting values that are consistent with sustainable development and for shaping a socio-economic context and incentives that are conducive to financial stability and

economic development, political inclusion and social mobility, as well as environmental sustainability (Kohler 2015). The approved Sustainable Development Goals (SDGs) go much further than previous development goals in tackling inequality. There is growing recognition, in both academia and international organizations –UN, World Bank, IMF–, that inequality jeopardizes the achievement of conventional development goals such as eradicating poverty, fostering decent work and boosting inclusive communities (Dabla-Norris et al. 2015; Haroon 2017; World Bank Group 2016). Therefore, sustainable development involves building institutional arrangements that are oriented to redistribution. Thus, through the analysis of redistributive institutions, we can shed light on when larger and long-term sustainable development projects would become possible.

3.3 Where to Study the Role of Business Elites in Sustainable Development

Latin America provides an excellent opportunity to join the fields of business elites and sustainable development for four main reasons. First, the concern for sustainable development among Latin American business elites seems to have grown in recent years. Large corporations across the region have adopted corporate social responsibility (CSR) programs and now support social and environmental organizations to reduce social conflicts, secure and maintain social tolerance for their operations, and improve their public images. However, Latin America countries are lagging behind in sustainable development. In the worldwide classifications that measure the degree of achievement of sustainable development goals (SDG), the economies of Latin America are at the bottom (Bertelsmann Stiftung and SDSN 2016). No Latin American country is at the top in any of the various rankings of sustainable development goals. One might think that corporate good intentions and actions are not having an impact at the macro level. But when reviewing the list of the 100 most sustainable companies operating in Latin America and the Caribbean, we found that only 15 firms are from Latin American (Inter-American Development Bank 2017). It seems that Latin American corporations are adopting a sustainability discourse but not actually implementing it. Are the sustainable development policies captured by the business elites? Are Latin American business elites aware of sustainable development? The reason for this “sustainable underdevelopment” could be originated in deep-rooted structures such as elite networks.

Second, in emerging economies such as those of Latin America, where some institutions (such as those related to the tax system and law enforcement) are not fully developed, elite networks are able to play a more significant role in policy formulation. In countries with weak institutions, there are stronger elites, and elite networks affect the rules of

the game (Bull 2014). The few studies on business elite networks in Latin America have focused more on describing the internal networks among business elites (Cárdenas 2015 2016; Mendes-Da-Silva 2011; Salas-Porras 2006; Salvaj and Couyoumdjian 2016), rather than the political connections, with some exceptions, mostly from Mexico (Camp 2006; Salas-Porras 2017).

Third, the delay of Latin American companies in sustainability may be due to the business control of think tanks and social and environmental associations in the region. Think tanks and research institutions working on sustainability topics depend excessively on private business donations due to the insufficient public funding for research and science in Latin America. This explains the high number of think tanks oriented to defend neoliberal, right-wing policies (Cannon 2016) and also denying the climate change or the income inequality in the region (Hein and Jenkins 2017; Jacques et al. 2008).

Fourth, some Latin American economies depend extremely on natural resources extraction. The share of raw materials in exports is over 80% in countries such as Peru, Colombia, Chile, Bolivia, Ecuador and Panama (World Bank 2016). The significant increase in global demand for minerals boosted economic growth, and led to a certain reduction of income inequality (Burchardt and Dietz 2014). Mineral rents financed most of the redistributive policies passed in the last years. On the institutional level, this particular type of development labeled neo-extractivism is undoubtedly based on and in turn affects changes in network configurations among governments, corporations and policy organizations. Who are the think tanks and foundations behind the policy ideas of neo-extractivism? And which business interests are related to those organizations?

3.4 How to Study the Relationship between Business Elite Networks and Sustainable Development

The engagement of business elites on environmental, social and economic rules and policies has been more assumed than empirically demonstrated, and when it has been analyzed, it has been at a local or national level rather than at cross-national or transnational levels. Although most policies on sustainable development such as environmental regulation and income redistribution are still confined to national governments in Latin America, large organizations associated with sustainable development fields are transnational. The analysis of business networks beyond business sector should cover the ties at both national and transnational level. The emergence of international forums, business councils, transnational policy groups,

networks of think tanks as demonstrated by several scholars (Carroll and Carson 2003; Salas-Porrás and Murray 2017; Sapinski 2016; Stone 2001) have given rise to business influence in national politics from other countries and continents. Any study that aims to comprehend the role of business elites in sustainable development must also address the transnational networks built by corporations, politicians, think tanks and NGOs.

Moreover, the comparison of elite networks between countries with different degrees of sustainable development becomes an avenue of research to identify what specific elite network structure concur with more sustainable economies. For example, based on a comparative analysis between five countries, Cárdenas (2018) found that where corporate networks were cohesive, in conjunction with other factors, the state promoted institutions of social protection that facilitate the redistribution of income and so, there was less income inequality.

At the methodological level, research on business elites and sustainable development should turn to a mixed method approach. First, network analysis should be employed to analyze relationships (or lack of them) between business elites and political actors. The network analysis of business elite networks allows the identification of the level of elite cohesion, internal communities and central actors. Hence, it provides a map of possibilities of cooperation, coordination, negotiation and conflict. This analysis will also enable to see the position and organization of specific business sectors such as oil, banking and agroindustry.

Second, to delve into the understanding of networks' impacts on redistributive institutions, it is necessary to incorporate causal methods. Qualitative comparative analysis (QCA) enables us to study the combination of the causal conditions that lead to a particular result. The application of the process tracing method provides further insights into the identification of the different causal mechanisms between variables. And structural equation modeling allows for an analysis of indirect paths. Another challenge will be to combine all of these methods associated with causality to generate explanations.

4. Further Contributions

This research agenda also contributes to three interrelated theoretical and empirical debates: determinants of inequality, networks and institutions, and state capture.

4.1 Determinants of Inequality

The concern to reduce high-economic inequality as the main challenge for sustainable growth has revived the interest on determinants of inequality and redistribution. Cross-national studies have mainly pointed to economic growth, wage stability, education and technology (Kuznets 1963; Psacharopoulos and Patrinos 2004), democracy (Albertus and Menaldo 2014; Boix 2003), fiscal policy (Cornia 2012), and social spending and social protection policies (López-Calva and Lustig 2010; Palme 2006), among several other independent variables. The growing debate on which factors are the drivers of inequality and redistribution is a clear indication that several aspects still remain unexplained and unexplored, such as which business-state elite structures boost redistributive policies.

Several studies have developed explanatory models connecting business elites and sustainable development outcomes, mostly addressed to redistributive institutions (Acemoglu and Robinson 2012; Fairfield 2015; Reis and Moore 2005; Schoenman 2014), democracy (Acemoglu and Robinson 2009; Higley and Burton 1989; Lasch 1996) and environmental politics (Bull and Aguilar-Stoen 2016; Nambiar and Chitty 2014). These scholars have focused on uncovering when business elites accept redistributive institutions or support environmental reforms. Their conclusions are discordant. While some point to the elites' fear of revolts as a prerequisite for redistribution and more egalitarian societies (Acemoglu and Robinson 2012), others show the social awareness of elites concerning the poor (sense of responsibility, interdependence and feasibility) as a necessary condition (López 2013; Reis and Moore 2005). Scholars also disagree on the role of elite cohesion. Whereas some indicate business elite cohesion and partisan linkages as sources of power to block sustainable development such as reducing inequality and increasing the tax burdens on the rich (Bogliaccini and Luna 2016; Fairfield 2015), others show that integration of business and state elites gives rise to distributive institutions (Schoenman 2014). The development of empirical comparative research studies on business networks and redistributive institutions can clarify these controversies, and also generate insights for policy recommendations on reducing income inequality.

4.2 Networks and Institutions

The concepts of networks and institutions have been closely related to the analysis of organizations. On the one hand, institutionalist theory see networks as conduits through which practices and standards are disseminated (Meyer and Rowan 1977).

On the other hand, more network-based studies consider that institutional practices are created from relational patterns. A more comprehensive view notes that networks and institutions co-constitute each other, and in order to understand social and economic systems, attention needs to be simultaneously paid to networks and institutions (Owen-Smith and Powell 2008). For example, participants give meaning to their action through networks and in this way institutional logics are formed. As a result, these institutions make networks more efficient. Based on this comprehensive view, elite networks encourage institutions (rules of the game) that regulate the behavior of corporations themselves and can make them stronger and more competitive, as well as strengthen the stability of the networks.

This research agenda emphasizes the role of elite networking in creating institutional arrangements or higher-level institutional outcomes. Therefore, we move beyond conventional thinking about network effects at the organizational level, and engage with the consequences of networks at the societal level. Whereas earlier institutional theory argued that institutional environment forged organizational practices (even the formation of network structures) (DiMaggio and Powell 1983; Meyer and Rowan 1977), subsequent studies conceptualize how organizational network structures affect the transformation of institutional environment (Abrahamson and Fombrun 1992). Inter-organizational network processes propagate shared beliefs and produce macro-institutions that govern entire industries or nations. Thereby, ties between large corporations and political agencies end up playing a dominant role in channeling shared beliefs to produce policy or institutional regimes.

4.3 State Capture

State capture refers to the situation in which private interests significantly and systematically influence a state's decision-making processes to their own advantage (Acemoglu and Robinson 2012; Hellman et al. 2003; Innes 2014).³ The literature has pointed out the main mechanisms for capturing the state by business elites: election campaign funding (contributions), revolving doors and lobbies (Carpenter and Moss 2013; Dal Bó 2006; Durand 2016; Fuchs 2007). It is widely assumed that the more overlap there is between business and political elites, the more state capture by business there will be. However, some scholars point in the opposite direction. The

3 The concept of state capture is similar to others such as regulatory capture, institutional capture, rent-seeking, political failures, and clientelistic politics (see Dal Bó 2006 for a review). All these concepts indicate that there are times when the design of policies and laws is aimed at benefiting a specific group of business interests, to the detriment of the collective interests or the general population, who usually must pay the costs.

more intertwined the state and big businesses are, the easier it is for political elites to capture business instead (Yakovlev 2006). Network analysis approach has rarely been used to understand the structures on which state capture is based (Fazekas and Tóth 2016; Fierascu 2017). Previous studies have not paid enough attention to the networks of business elites with civil organizations as a possible underlying structure for state capture. The way in which elite networks are configured in countries with high levels of business state capture is largely ignored. More data and more network analysis can correct these oversights.

5. Conclusions

Viewing the outcomes of business-state relationships more broadly than just whether there is economic growth or not also calls for a re-examination of what kind and configuration of business-state networks may lead to sustainable development. Some international institutions, practitioners and scholars argue for broad network coalitions of actors from the business and political sectors to coordinate their actions, engage in sustainable values and put aside narrow interests (Thorpe and Mader 2017; UN Global Compact and Bertelsmann Stiftung 2012; Utting 2015). Others, however, emphasize that business-state ties facilitate state capture by private interests or political rent-seeking (Carpenter and Moss 2013; Crabtree and Durand 2017; Dal Bó 2006; Fuchs 2007; Hellman et al. 2003), which can instead inhibit growth (Morck and Yeung 2004).

Past research has been unable to adjudicate and resolve these debates in part because of the lack of comparative studies on how business and state elites are in fact networked to each other, and the insufficient combination of causal, multilevel and network methods to analyze the relationship between business-state elite connections (organizational-level) and redistributive institutions in a country (societal-level). This research agenda seeks to contribute to these debates and fill the gap between business elites and sustainable development through the analysis of the impact of business-state elite networks on the development of redistributive institutions.

Recent contributions have stressed the importance of elites in explaining economic and institutional outcomes (Acemoglu and Robinson 2012; Amsden et al. 2012; Everest-Phillips 2009; Fairfield 2015; Martínez-Franzoni and Sánchez-Ancochea 2013; Schneider 2012; Schoenman 2014). They brought elites back to explain institutional arrangements such as income inequality, tax politics and social services. Most of them pointed out the relevance of elite cohesion to comprehend the kind of institutions developed. However, they inferred the extent of elite cohesion on the basis of the

mere existence of business associations and policy-planning groups. Moreover, they used the word “elite” as a generic term without describing precisely who these elites are. The relationship between business elites and institutional arrangements can be improved through the detailed analysis of actual business-state elite interconnections since networks work as a constraint and enabler of business-state negotiations and channeling of shared beliefs.

This paper proposed a research agenda to bridge the disjoint fields of business elites and sustainable development. Some of the open research questions are: which business-state elite network configurations matter for redistribution? Is the cohesion of business and political elites beneficial or detrimental for the development of redistributive institutions? Does elite cohesion give rise to state capture of the regulation of sustainable development regulation? Which conditions are necessary and sufficient to produce redistributive institutions? What kind of ties and network configurations allow for building large and long-term political sustainable projects?

Any further research on business elites and sustainable development will contribute to generate a comprehensive database on elite connections across several fields, which should be disseminated and available for downloading. The aim of making the data open access is to promote further research on elites and sustainable development. Foreknowledge of the structure of relations among members of the business, political and social elites is vital to studying further effects of elite networks, for example on health, taxes or industrial policy. The only way to motivate doctoral students and other junior researchers to undertake the analysis of business elites and sustainable development is to make data freely available. Such data would also increase transparency of companies, governments, policy groups and civil organizations.

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trAndeS - Postgraduate Program on Sustainable Development and Social Inequalities in the Andean Region is a joint initiative by the Freie Universität Berlin and the Pontificia Universidad Católica del Perú. It is supported by the DAAD (Deutscher Akademischer Austauschdienst/German Academic Exchange Service) with funds from the Federal Ministry for Economic Cooperation and Development (Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung, BMZ).

trAndeS seeks to create and promote knowledge that can contribute to the realization of the United Nations' Sustainable Development Goals in the Andean Region. It focuses its efforts linking two dimensions: sustainable development as addressed by the 17 Sustainable Development Goals (SDGs) that the United Nations established for the year 2030, and the serious socioeconomic, sociopolitical and socioecological inequalities that persist in the Andean region. Our goal is to identify how these inequalities present challenges to achieving the SDGs and how progress toward the SDGs can contribute to reduction of these inequalities.

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