



**SUSTAINABLE
FINANCE and
BANKING: The
Financial Sector and
the Future of the
Planet**

Marcel Jeucken
(London: Earthscan)
2001, 318 + viii pp,
£29.95

Jeucken Marcel has been heralded as the first to provide a comprehensive and accessible book on the subject of sustainable finance and banking. One does not have to look far to find glowing commentaries that welcome the book as a much needed introduction to the subject.

At the time of writing Jeucken Marcel is a practitioner in Rabobank and a doctoral researcher at Erasmus University. Previous work by the author includes a translation of a dutch book *Sustainable Banking* (1998) and joint editorial work with Jan Jaap Bouma and Leon Klinkers on *Sustainable Banking: The Greening of Finance* (2001). Together this experience provides the author with a strong foundation for the production of this accessible yet intellectually challenging book. The book is set out in three parts. Each part and subsequent chapter is very well sign-posted. Part 1. *Sustainability: a general introduction* discusses the potential role of banks in pursuing sustainable (economic) development. Part 2. *Banking and Sustainability* provides examples of bank products and internal operations applied in pursuit of sustainable development including some interest points on the accountability, reporting and loan pricing. Part 3. *In reflection* includes a survey of sustainable banking drawn from public disclosures made by 34 international banks. The book ends with some thoughts on the future of banking and questions whether banks can achieve sustainability by continuing within current economic perspectives. The author's stated aim is not to provide definitive answers but to stimulate thinking in terms of solutions.

The stated target audience of the book is banking practitioners and policy makers followed by academics. For an academic audience it provides a wealth of empirical information and offers up for debate some conceptual thoughts on paradigm shifts in the traditional economic foundations of banking. It would be an excellent textbook for a specialist class on environmental banking but I believe it is best read at leisure or dipped into for reference for to consume it as a whole takes patience due to its ambitious content.

My main criticisms of the book is that in seeking to cover such a scope and live up to the title the author is over ambitious. The result is that everything promised cannot be included (certainly not in any great depth). Once you have reflected on the content the title appears somewhat misleading. The primary concern of the book is environmental banking issues. Those interested in sustainability may find the scope of the book disappointing. As the author is quick to acknowledge, the books focus on sustainable development is limited to a merging of the environment and the economy. Reference to finance is made in a broad sense due to the apparent inclusions of the wide range of services that often fall under the banking banner. The book excludes a detailed review of equity investment issues such as social responsible investment funds that receive only reference in passing. As such much of the social dimension of sustainability is unfortunately missing and leaves one feeling that the book might have been better titled

environmental banking. However, under this revised title the author makes an exceptional contribution.

To read this book is a must for anyone working in this area of environmental banking whether a practitioner or academic. My recommendation would be look out for his doctoral thesis if this book is anything to go by the thesis should provide a very interesting read.

(Andrea Coulson, University of Strathclyde)