

“Global Values in a Changing World”
Synergy of State and Society in a Globalized World

Fourth Lecture: **‘Social Responsibility in a Context of Change: From Corporate and Organizational to Networks, Markets and Territories’**

Speaker: **Patricia Almeida Ashley**, Universidade Federal Fluminense, Brazil & ISS

Moderator: Teresa Fogelberg, Deputy Chief Executive, Global Reporting Initiative

On Monday 17th of January 2011, Patricia Almeida Ashley delivered the fourth lecture in the SID-Lecture Series 2010-2011, “Global Values in a Changing World”. Patricia Almeida Ashley is Adjunct Professor at the Department of Geoenvironmental Analysis of the Institute of Geosciences, Universidade Federal Fluminense in Brazil and is the current holder of the Prince Claus Chair in Development and Equity at the International Institute of Social Studies of Erasmus University Rotterdam, in The Hague, The Netherlands.

Summary

The focus of Ashley’s lecture was how we can expand the concept of corporate social responsibility (CSR) in order for it to function as a more inclusive and all-encompassing framework for social responsibility more broadly defined. This requires a fundamental reworking of the concept of CSR, moving it away from simply a business model towards a multi-actor and multilevel theoretical construct which can be applied to different social spheres, cultural contexts and territorial settings. By re-imagining the underpinnings of the CSR concept, there is a greater chance that the inherent potential of CSR initiatives to contribute to the creation of sustainable societies may be realised.



Ashley began her lecture by critiquing the lack of up-to-date knowledge governments have on the current state of the art of corporate social responsibility. She noted that public policies are still largely informed by an understanding of CSR as a business-driven enterprise. Ashley argued that this understanding of CSR has severe limitations. Leaving CSR efforts in the hands of business leaders does not take into account the fact that businesses operate in an environment in which competitive pressures often

mitigate against socially responsible outcomes. These conflicting priorities do not make business leaders the best placed to spearhead the CSR movement.

Ashley illustrated some of the problems of the current approach to CSR by looking at the example of sanitation in Sao Joao del Rey, a city in the state of Minas Gerais, Brazil. Here the dumping of domestic sewage and industrial waste into the Lenheiro river and its surrounding banks is causing considerable water pollution and environmental damage. Ashley commented on the difficulties of implementing a solution to the problem under the rubric of the CSR model. She noted that companies did not see sanitation as an issue they should be concerned with, encapsulated by the quotation, “The social responsibility of business is to make business survive. Sanitation is none of my business.” which Ashley believed to be a widely shared sentiment amongst the companies in Sao Joao del Rey. For Ashley, this demonstrated the limits of relying solely on business leaders to act as agents of change.

She therefore invited the audience to think of a model of social responsibility which does not take the company as its central unit of analysis, which recognises the need for a multidirectional strategy to be devised and which understands that in order for social responsibility to take hold in society, collection action needs to be undertaken by many different actors working together. To this end, Ashley proposed a multidimensional, multilevel and multi-actor conception of social responsibility. It is multidimensional because, drawing on the ISO 26000 guidelines, social responsibility themes include: governance, human rights, labour practices, the environment, fair operating practices, consumer issues, and community involvement and development. It is multilevel because it looks at three different types of challenges confronting the social responsibility agenda including legal compliance, social expectations and ethical ideals and how these are expressed at different territorial scales. Finally, it is multi-actor because it looks at all the stakeholders that are involved in social responsibility from enterprises, to governments, to civil society organisations to consumers to the media and so on.

By putting forward this new model of social responsibility, which stressed the importance of social networks, institutions and the cultural embeddedness of organisations, Ashley hoped that a new ethic of “before profit” responsibility can be realised. She argued that this will require a deeper drive by public bodies to fully get behind the social responsibility movement and apply this new model of CSR to all social spheres.

In the discussion that followed after Ashley’s lecture, a number of interesting points were raised. A couple of questions probed further into Ashley’s new model of social responsibility, in particular at the ways in which it is possible to differentiate between the three levels of responsibility. Ashley answered by saying that one should not conceive of these levels as fixed but context dependent, exhibiting considerable variation in time and space. So for example what are ethical ideals in one country might already be legal compliance in another. In a similar vein, when asked how the



different social spheres in the model relate to specific stakeholders, Ashley stressed the interconnectedness and unity between the spheres. This means that we should not think of markets as only the domain of the private sector or territories as simply the jurisdiction of governments – these separations are an illusion.

This related in part to a question on the role of the state in the social responsibility movement. Ashley commented that given the discrepancies in the legal frameworks pertaining to CSR, governments should work towards updating and aligning their CSR legislation to ensure that a coherent discourse around CSR emerges. A question was also asked about the relationship between trade agreements and CSR. Ashley replied that trade agreements can play a major role in creating sustainable global supply and value chains and were therefore of critical importance. On a more personal note, an audience member wished to know what Ashley's personal experiences and lessons were from her involvement in her CSR project in Brazil. She stated that the key success factor in her project was the generation and distribution of information regarding CSR practices and that the media was a great support in this capacity.