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This contribution starts with a brief introduction to CSR and the debate surrounding it. The development of CSR as a movement will then be outlined, highlighting four trends over the last 30 years. Next, the notions of discourse and paradigm will be introduced, leading to the conclusion that the CSR debate can be viewed as a clash of paradigms. Finally, tying these ideas together will show that the discourse on CSR is currently in the hands of business. A paradigm shift may be needed for CSR to make further progress and eventually become established on an institutional footing according to principles of action rather than remain mere rhetoric.

Key words: discourse, stakeholder, dominant social paradigm, new eco-social paradigm, institutionalisation

1. INTRODUCTION

The dialogue surrounding corporate social responsibility (CSR) and the role that corporations ought to play in society persists as the world focuses more and more on its dwindling natural resources, changing climate, poverty, lack of social cohesion, corporate scandals and other compelling issues that connect organisations to their constituencies and the environment. However, real – often individual – proponents of CSR – be it in business, academia or politics – are not just interested in a dramatic dialogue. They are seeking a fundamental shift in the way businesses do business.

From the perspective of the majority of today’s business leaders, the proponents of CSR are asking too much of the corporate world. ‘Regulating’ business activities so they might live up to new (social) responsibilities would result in decreased or poor financial performance. This would negatively impact corporate continuity and thus all the constituencies concerned. Still, business has been unable to ignore the public request for more responsible procedures and practices.
as is demonstrated by the popularity of stakeholder dialogue and engagement. It looks as if they have found that the best strategy to deal with CSR is to get involved in determining its scope and definition, thereby defeating the call for regulation. Although CSR currently appears to be widely recognised and accepted, there is no consensus on its meaning. It is still more of an idea, a vague concept currently being debated. This debate has led to the emergence of a discursive struggle mainly between academia and business. Each side is busy developing its case, trying to convince others that its version is best. Yet there is more to this phenomenon than mere conflicting motives or opinions. The lens through which these actors view the world and the philosophy that shapes their judgements, beliefs, and actions are fundamentally different. This discursive struggle can be seen as clash of paradigms. The values that the business community embraces reflect those of a dominant social paradigm (DSP). We believe that the changes in society that many academics are calling for would require a paradigmatic shift from the current DSP to something provisionally called the New Eco-Social Paradigm (NESP). This paradigm holds the view that current practices of production, consumption and employment are unsustainable in the long run. We feel that the implicit ‘clash’ between these two paradigms has been guiding the discourses on CSR. This paper posits that business has thus far succeeded in dominating the debate on CSR. That the academic discourse is not the front-runner may be due in part to the success of business in developing and nurturing lobbies and other networks. While the forces of the dominant paradigm may prove to be the deciding factor in the CSR debate, the current lack of voice on the academic side all but guarantees the institutionalisation of CSR under its business case definition.

2. WHAT IS CORPORATE SOCIAL RESPONSIBILITY?

How can the (ontological) nature of CSR be defined? Carroll (1999) responded to this question in his landmark paper entitled “Corporate Social Responsibility: Evolution of a Definitional Construct”. The fact that it took twenty-eight pages to survey the definitions of CSR from 1950-1999 reflects the abundance of viewpoints that exist on the topic. Only a few main perspectives will be given here. Roberts (1992) indicates that CSR has been defined as “policies or actions that identify companies as being concerned with society-related issues”. These issues include employee rights, product safety, the environment, and poverty, among others. Waddock (2004) uses the term corporate responsibility (CR) to mean “the degree of (ir)responsibility manifested in a company’s strategies and operating practices as they impact stakeholders and the natural environment ...”. She indicates that corporate social responsibility (CSR) is the “subset of corporate responsibilities that deals with a company’s voluntary and discretionary relationships with its societal and community stakeholders”.

Socially responsible organisations, according to Campbell, “must not knowingly do anything that could harm their stakeholders. If they do inflict such harm, they must rectify it whenever it is discovered and brought to their attention” (Campbell, 2006). McWilliams and Siegel define CSR as “actions that appear to further some social good, beyond the interests of the firm and that which is required by law. CSR means going beyond obeying the law” (McWilliams and Siegel, 2001). Wood’s often cited definition of corporate social performance (CSP) also captures part of the essence of what many believe to be CSR: “a business organisation’s configuration of principles of social responsibility, processes of social responsiveness, and policies, programs, and observable outcomes as they relate to the firms’ societal relationships” (Wood, 1991). More concisely, Husted (2000) views CSP as the “ability of the firm to meet or exceed stakeholder expectations regarding social issues”. From this reservoir of literature it appears that the term CSR is almost being used interchangeably with what some call CR, CSP or CC. While these definitions provide a broad idea of what CSR is, they are all rather general and theoretical in nature. Although definitions are crucial to a discourse, unless they can be communicated in actionable terms to other constituencies and society, they may not have the desired impact. Dryzek (1997) states that “the proliferation of definitions is not just a matter of analysts trying to add conceptual precision...it is also an issue of different interests with different substantive concerns trying to stake their claims...”. The reason that there is a debate is because various actors are competing to define what exactly CSR is and to make their definition stick. The above shows that what CSR means today varies among organisations, academ-
ics and citizens. It appears as if scholars in particular are unable to communicate their argument in terms that make sense to business, government and the public. By examining the roots of CSR, we can see why/how the debate around the concept started, how the discourse has developed over time, and when it began to gain momentum. Also, without knowing the origins of the debate, it is difficult to see where it might be going.

3. Roots of the CSR Debate

Carroll (1999) points out that the late 1960s and early 1970s represent a unique period in time with regard to the transition from social movement to government regulation in areas such as the environment, safety, etc. (Carroll, 1999). Not only does government regulation mark the evolution of these concepts, but it was also at this point that society was changing and thus rethinking such issues in a new way. Cotgrove (1982) indicates that this challenge to the political system “offered a powerful critique of the hegemonic material values of industrial capitalism” and that “the political response was at least a partial recognition of the need for an extension of participation, both in industry and central and local government”. Some argue that CSR is an offspring of the environmental or workers’ rights movements. Others may maintain that CSR began well before and is independent of these movements. Whatever the position that one holds, it was during the early 70s that CSR moved from a discussion among intellectuals to a debate between scholars, business and government. Therefore we will examine the roots of CSR using the 1970s as a starting point.

Frederick (1987) suggests that the history of CSR can be divided into four phases: CSR 1, CSR 2, CSR 3, and CSR 4. He indicates that CSR 1 developed in the 1960s and 70s and came to mean that companies should behave responsibly and do the right thing by society through, for example, charity programs and community improvement initiatives. Though business resisted this idea at first, four decades later this is the approach to CSR that most corporations support.

CSR 2 (late 1970s to 80s) is marked by ‘corporate social responsiveness’. Companies began to take an offensive rather than defensive position toward their responsibility to society. Responsiveness refers to, for instance, a company creating a public affairs department or improving employee communication, labour relations, and issue management in order to address public concerns or other matters (Waddock, 2004). However, it was not only the public at large that business was responding to. Responsiveness also came to mean stakeholder engagement and management, with the main stakeholder being the shareholders. Involvement in the public domain also led to a proliferation of corporate support for political candidates and political action committees (PACs), as well as growing involvement by companies in shaping the policies that might affect them (Waddock, 2004). Carroll (1999) characterises this period as one in which there was “growing interest in operationalising CSR and seeing if it had any relation to financial performance”. It is at this point that the business discourse started gaining the upper hand in the debate. Scholars and others were trying to tie positive financial performance to socially responsible practices, hoping to convince business of the merits of CSR. It could be argued that the CSP model negatively impacted the academic CSR discourse in that it “largely ignores the integral responsibilities of companies that are associated with impacts on stakeholders” (Waddock, 2004). CSR in this context was not about doing what was right by society, but rather what was right for the (economic) bottom line.

CSR again took a turn in the late 80s, with the main emphasis this time on ethics (Waddock, 2004; Carroll, 1999). This marks the beginning of CSR 3 and an overall mood of compliance as companies were now being mandated to issue ethics and codes of conduct in light of new legislation following a host of corporate scandals. It is in this phase that the divide between the academic and business views on CSR began to grow. While academic advocates of responsible business practices pressed for firms to incorporate responsible strategies into day-to-day company operations, many firms concentrated instead on moving the discussion away from regulation and toward voluntary practice. By publicly focusing on its CSR reports and codes of conduct, business has successfully played the good faith card, satisfying government’s call for action and staving off, at least temporarily, consumer criticism. In this way, Shell’s publication of its first CSR report in 1998 was probably both a blessing and a curse for academia and others who support a governmental and institutional regulation approach to CSR. The publication of such a report by a large corporation meant
that big business was ready to openly discuss its responsibility to society. However, it also seemed to pacify many advocates in government and elsewhere who took it as a sign that business would police itself so government wouldn’t have to. Self-regulation thus became the acceptable ‘standard’.

Frederick’s (1998) CSR 4, Cosmos, Science, Religion (Spirituality), probably represents the direction that certain scholars would like CSR to take more than reflecting the actual path it has taken. Waddock (2004) writes that CSR 4 moves away from “a corporate-centric and toward a cosmos (C)... orientation as a proxy for all the natural sciences”, but that the “field... remains largely focused within a corporate-centric paradigm”. Interestingly, this call for an eco-social focus appears to parallel and reinforce the discourse on sustainable development. Under its most popular definition, sustainable development holds that “humanity has the ability...to ensure that it meets the needs of the present without compromising the ability of future generations to meet their own needs” (Report on the World Commission on Environment and Development, 1987). Nine years later UNESCO was still seeking a definition for sustainable development that could be applied scientifically (Dryzek, 1997). While business was able to concentrate on implementing voluntary programs, thus putting their own versions of these concepts into action, academia and other experts were busy just trying to define them. As a result, scholars provided plenty of literature on human rights, labour conditions, corruption, water scarcity, pollution, etc., but separately rather than collectively. No wonder Waddock (2004) states that the “integration of these universes and the dichotomies within the field might serve us all well; finding a common language that defines what we mean by corporate responsibility can only enhance the progress and credibility of the field”. Additionally, she emphasises the need for a dialogue with business not about business. Unfortunately, however, the academic and business streams of discourse remain and continue to develop in separate directions. In order to discuss why these streams continue to flow in opposing directions, we first have to clarify what is meant by discourse and stakeholders.

4. DISCOURSE AND THE STAKEHOLDERS

Discourse is more than a dialogue or debate. Once initiated it can be influenced and altered by the actors involved as well as by situations and structures (Burchell and Cook, 2006). It is not simply a matter of what is being talked about, but also how it is being talked about, because the “how” ultimately shapes what we come to know to be true. Campbell (2004) defines discourse as a “system of language, concepts, and rules of logic through which people communicate”. Dryzek (1997) states that “a discourse is a shared way of apprehending the world. Embedded in language, it enables those who subscribe to it to interpret bits of information and put them together into coherent stories or accounts”. Additionally, he says that “powerful actors who see established or emerging discourses as threatening their vital interests can attempt to override developments at the level of discourse...and can sponsor other discourses of environmental concern more conducive to their own interests” (p. 11). As Chourliaraki and Fairclough (1999) maintain, concepts can actually be “talked” into being and determined by discourse. Hence, the participants in a particular discourse are in a sense the architects of that specific element within society. When these participants disagree on the foundation of the discourse, they engage in a metaphoric tug-of-war. The winner is the actor whose rhetoric and actions are most widely accepted; this can mean determining how the concept is ultimately defined, how it is discussed in everyday life, and how it is put into action.

At present, business has the upper hand in the CSR discourse. Burchell and Cook (2006) would argue, however, that business is not yet the winner. Rather, the discourse has developed into a “hybrid” form as a result of the influence of business, academia and non-governmental organisations. They view the struggle in terms of both domination and resistance (2006), stressing that resistance, not just dominance, also shapes the discourse. They admit, though, that “the power of the business lobby is strong and is reflected in its ability to colonise and appropriate the language of social and environmental responsibility through CSR” (2006). Lobbying influential government officials to gain political and/or financial support for programs and ideas is not a practice limited just to business. With regard to CSR, however, the corporate community has proven to
be very capable of gaining government support and of avoiding regulation to a large extent. Network institutions such as WBCSD, EABIS or even Econsense are true masters of advocating self-regulation, thus avoiding any formal legal structures on a national or value-chain scale. Government support is critical because political officials are crucial to turning ideas into policy (Pumar, 2005). This would suggest that lobbying efforts alone are responsible for governments leaning toward the business case for CSR. That is, however, not the case. There are a number of other reasons that may account for the symbiotic relationship currently shared by government and business. For example, the blurring of national boundaries, healthcare crises, and a run on resources are forcing government to redefine its public role, resulting in a shift from a care-giving to a self-care society. The strains of contemporary culture added to current capitalist principles (e.g. limited government regulation, free enterprise and an uninhibited pursuit of economic growth) make it easy for government to accept the meaning and concept of CSR as presented by business. As Burchell and Cook (2006) state, the business discourse of CSR “appears to complement the structural setting, which arguably includes governments seeking to withdraw from certain areas of social provision”. Fitting into the current social, political, and economic institutional structure is significantly less difficult than trying to change it. Much of what academia is proposing in relation to social responsibility does not mesh with the values endorsed by the present system. These competing value systems are paradigms, and the battle of discourses can be considered to be a clash of these paradigms.

5. LINKING PARADIGM AND DISCOURSE

In line with the godfather of paradigmatic thought, Thomas Kuhn, and his seminal book ‘The Structure of Scientific Revolutions’, Barker (1992) defines a paradigm as “a set of rules and regulations (written or unwritten) that does two things: (1) it establishes or defines boundaries and (2) it tells... how to behave inside the boundaries in order to be successful”. Any actions taken or ideas developed outside of these boundaries do not have the same chances of succeeding. Campbell (2004) describes paradigms as “cognitive background assumptions that constrain decision-making and institutional change by limiting the range of alternatives that decision-making elites are likely to perceive as useful and worth considering”. He also writes “one important mechanism by which they exert effects is by structuring discourse” (2004). Paradigms thus influence what issues we talk about, how we talk about them, and what actions we take as a result. So discourse is a powerful tool. It is the ‘ground’ on which ideas can be talked into being. Ideas, concepts or discourses that do not fit into the current (social) paradigm may not even be given consideration by those in positions of power as they may be viewed as going beyond the boundaries of that paradigm.

Even when boundaries are not an issue, the pursuit of dominant values can take priority over matters involved in other discourses. While government officials may favour a particular discourse, if policies are pursued that the business community rejects, this rejection could have serious consequences. Corporations can take their business elsewhere, thus impairing the local economy. “The increasing mobility of capital and finance across national boundaries intensifies this pressure, because businesses can easily threaten to transfer their operations to other countries with less stringent environmental policies and practices” (Dryzek, 1997). These policies don’t necessarily have to be environmental, but can be any policies that corporations are against. These challenges or changes in the status quo will generally be met with fierce resistance (Shafer, 2006). This makes it relevant to scrutinise the two main paradigms that are ‘competing’ with each other in the CSR discourse.

Dominant Social Paradigm (DSP)

The focus on economic growth is intrinsic to the current economic-social regime which we will call the Dominant Social Paradigm (DSP). Shafer (2006) defines the DSP broadly as “socially constructed traditions that legitimate prevailing social, economic, and political institutions, and express a commonsense reality regarding the way society works”. Cotgrove (1982) maintains that “it is dominant not in the statistical sense of being held by most people, but in the sense that it is the paradigm held by dominant groups in industrial societies, and in the sense that it serves to legitimate and justify the institutions and practices of a market economy”. Instead of DSP, Catton and Dunlap (1980)
chose the term “Western worldview” to characterise the worldview of the industrialised nations. They identified four tenets that represent this view: “(1) People are fundamentally different from all other creatures on earth, over which they have dominion; (2) People are masters of their destiny. They can choose their goals and learn to do whatever is necessary to achieve them; (3) The world is vast and thus provides unlimited opportunities for humans; (4) The history of humanity is one of progress; for every problem there is a solution and thus progress need never cease”. This worldview supports the capitalist doctrine of free enterprise, economic growth and private property, and “most of society’s values...are anchored in and oriented toward the maintenance of this paradigm” (Shafer, 2006). It should come as no surprise that a shift from this paradigm to another would meet with significant opposition. Paradigm shifts occur, according to Hall (1993), when an existing paradigm is challenged by a competing paradigm to such an extent that policies fail because it cannot support the goals and procedures put forth by the competitor. This would imply that when the goals of influential political and business leaders begin to reflect those articulated by others, a paradigm shift may be occurring.

New Eco-Social Paradigm (NESP)

A new paradigm seems to be emerging in opposition to the DSP. Although termed the New Ecological Paradigm (NEP) by others, we will call it the New Eco-Social Paradigm (NESP) to include social as well as environmental issues. The NESP highlights environmental destruction, widespread poverty and unacceptable employment conditions. It emphasises the need for a system overhaul and an adjusted way of thinking by global citizens. According to proponents of the NESP, the DSP is exacerbating rather than seeking a resolution to these problems. However, Shafer (2006) states that due to the nature of the DSP, its opponents can expect a defiant political and economic front ready to utilise the resources at its disposal in order to protect against any attacks on their position. Defenders of the DSP will either try to “(1) discredit or marginalise threats posed by ecological issues or (2) attempt to convince stakeholders that their actions are in fact consistent with an ecological worldview” (Shafer, 2006). The effective lobbying by nations and corporations for soft law and voluntary self-regulation is a case in point. Allowing firms to police themselves and select the principles they wish to adhere to demonstrate the DSP’s “belief in market solutions to social ills” (Shafer, 2006). If, as Suchman (1995) suggests, “most challenges [to legitimacy] ultimately rest on failures of meaning”, then business rose to this challenge by creating a meaning for CSR where there was a void. With a generally unified vision of CSR focusing on self-regulation, the ‘business strategy’ appears to be foiling academia’s attempts to redirect the corporate-centric focus of CSR. The now dominant business definition of CSR has met with inadequate opposition by academics who seemed unable to extricate themselves from their own “parallel universes” (Waddock, 2004). Waddock (2004) stresses the need for scholars to pursue their own unified strategy rather than separate, divergent ones. However, there is a gap in the literature on exactly how to go about doing this. Clearly, if scholars wish to be heard in the discourse, they must do so by “engaging national policymakers and, more importantly, through forging inter-organisational ties with international agencies capable of legislating an international agenda” (Pumar, 2005). This means that not only do scholars and experts need to join forces, but also that they need to find politically influential allies within the DSP who endorse their ideas and can communicate the academic message in a way that the corporate public will understand (Pumar, 2005). Given that business already maintains a fairly tight stranglehold on the accepted definition of CSR, it might befit academia to try to work together with business to develop a meaning for CSR that would be acceptable to all parties despite being imperfect. Such collaboration can also serve to legitimise scholars’ arguments that might otherwise be rejected outright. Although some activity can be observed in this direction, its intensity and impact remain rather modest.

Dryzek (1997) views networking between proponents of the various discourses involved as especially positive. Additionally, according to Campbell (2004), progress can only really occur when discourses can communicate: “When actors succeed in pressing programs for change into practice, this is often heavily mediated by already existing discourse structures... actors translate new ideas into practice in ways that remain consistent with the old discourse”. The issue here is the need for real interchange among
the discourses - questioning worldviews and their assumptions - in order to achieve (any) progress. The institutionalisation of CSR in any form — be it the business case, the academic case or a hybrid of the two — would appear unlikely unless and until proponents of these discourses can communicate rather than “viewing issues and problems in such different ways that little interchange across their boundaries can occur” (Dryzek, 1997). Amaeshi and Adi (2006) insist that the only way the academic case for CSR can be adequately communicated to business and thus move forward is if it is “stripped of its current normative undertone and reconstructed in the instrumentally pragmatic (utlsh) language of business” (emphasis in original text). They argue that attacking capitalism doesn’t appear to be a very successful strategy, advise promoting CSR as a “neutral concept”, and recommend presenting CSR in a language that business can understand and “as such contribute to the legitimisation of CSR as a neutral management practice” (p. 25). Though the authors make a good case for the need to re-evaluate academia’s present finger-pointing approach, it is doubtful that CSR would actually progress were their “translation” procedures to be followed. A strategy of engaging business actors in a discussion about CSR by presenting it as a neutral management practice does not appear to be a strategy at all. In fact, it is the mirror image of the business case. The academic case is based on the premise that current business practices are detrimental to people and the environment. How can this be covered in neutrality? If CSR becomes legitimised as a neutral management practice, hasn’t the business case then won the debate?

Based on the above, we conclude that academia and business are indeed involved in a discursive struggle over CSR with government playing an intermediate and reactive role. This struggle is about more than trying to change a corporate strategy. It is an attempt to change existing institutions. While discursive struggle will not necessarily result in new or altered institutional structures, it is an important step on the way to establishing new institutions or de-institutionalising old ones: “It is out of this discursive struggle that new institutions emerge, momentarily stabilising meanings...” (Maguire and Hardy, 2006). Hence, the outcome of the debate between academia, business and government will likely be the institutionalisation of CSR. What this will look like will depend on the interchange that takes place between the actors through their respective discourses.

6. Conclusion

This analysis of the debate on CSR has attempted to trace the concept of social responsibility from its contemporary roots to the present discursive struggle between business and academia. The aim was to determine why business has been able to influence the debate to its advantage. In addition, the concept of institutionalisation was introduced to consider where CSR is in the process of being ultimately defined — and under what definition — in society. The overview emphasised the staying power of existing institutions and the political, economic and social forces that keep them in place. The business case for CSR is bolstered by the dominant social paradigm, the abundance of resources and a clear goal of self-regulation. This appears to be a fairly solid position, but success is far from guaranteed. Business still relies on the public for its legitimacy and politicians for support of its programs. Recent events show that this legitimacy and support can wane through the efforts of interest groups and the effects of corporate and environmental crises. As for academia, instead of heading off in the direction of what has been called CSR 4, scholars might instead consider combining their intellectual prowess to develop a concrete, unified platform. Additionally, a growing number of scholars have recognised the importance of engaging other actors in the debate, which appears to be a step in the right direction.

In conclusion, at present neither the academic nor the business case for CSR is poised for institutionalisation. There is not enough agreement on a particular program or set of ideas on either side. While the business case currently appears to dominate the debate, this might change if scholars manage to work together to formulate their own clear, practical CSR agenda. Fortunately, there are scholars out there who can speak both the language of business and academia as well as business leaders who support more socially responsible practices. The tragedy of academia, however, is that its core business is engaging in and fostering debate without the ultimate goal of reaching a consensus. The act of debating itself is the focal point, not the achievement of specific outcomes. Even if elements of the academic
“strategy” are incorporated into it, the business case may still prevail in the discursive struggle. Given the influence of the DSP, the philosophy by which it operates, and the ideals upon which it feeds and from which it breeds, the prospects for success of any strategy undertaken by academia appear less than favourable. Moreover, if scholars and other proponents of CSR remain divided and fail to adopt a sense of urgency, they will likely be unable to summon the financial and political support needed to compete and/or negotiate with business in the process of institutionalising corporate social responsibility.

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