**LIMITATIONS AND CONTRADICTIONS:
CORPORATE SOCIAL AND ENVIRONMENTAL RESPONSIBILITY**

by

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Abstract

This thesis posits that the rise of corporate social and environmental responsibility (CSER) in the past decade as an increasingly pervasive discourse, while tempered with a rhetoric of “values”, is a direct response to threats to the legitimacy of global capitalism. CSER is examined through the lens of political economy, in particular Gramsci’s theory of hegemony, whereby a social group needs to secure ideological consensus in addition to political domination in order to maintain power. As a case study of the dynamics of CSER, this thesis focuses upon CSER statements and documents from corporations, financial institutions, governments and non-governmental organizations at the international Globe 2004 8th Biennial Trade Fair and Conference on Business and the Environment held in Vancouver, Canada between March 31- April 2, 2004. Through a critical analysis of the logic behind CSER, the coherence of the discourse, and the ways in which social and environmental groups engage with the discourse, this thesis reveals ways in which CSER is employed as a public relations tool for “risk management”, as a strategy to prevent or forestall international binding regulations, and as a means of cooption and compromise.

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(Source: The Conference Board of Canada)	

Introduction

Corporate social and environmental responsibility (CSER) is a concept which has permeated the lexicon of global capitalism since the 1990s. Alternatively known as “corporate sustainability”, “corporate citizenship” and “corporate governance”, CSER has many interpretations but can be defined generally as a set of ethical obligations owed by corporations to society or to the environment. The three pillars of CSER, also known as the “triple bottom line”, are the equal weighting of social, environmental and economic factors. This is in contrast to the legal obligation of a corporation, which is to ensure maximal profit to shareholders above all other considerations. The depth and breadth of the CSER credo has increased during the past decade in tandem with the elusive and contested term “globalization”.

The term “globalization” has catapulted into popular discourse at an exponential rate, its meaning amorphous and shifting. To scholars of the hyperglobalist school such as Friedman and Giddens, globalization signifies the end of all borders, a move towards ultimate placelessness in which the ‘national’ has been superseded (Dicken, 2003, 10). To sceptics such as Hirst and Thompson, globalization exaggerates the extent to which the world economy has integrated (Dicken, 2003, 10). Many scholars link globalization with the expansion of capitalism into a global market economy, and more specifically, with the political and economic ideology of neoliberalism. Other interpretations make a distinction between different types of globalization. Sornorajah, for example, argues that a “clash of globalizations” is taking place between neoliberal capitalist globalization on the one hand, and “globalization from below”, driven by international ideas of social justice, on the other hand (2002, 31).

The link between globalization and CSER is one of the themes this thesis seeks to explore. I argue that the discourse of CSER is a strategy employed by and for proponents of “neoliberal globalization” to ensure the continued health of global capitalism, implemented in response to repeated crises of legitimacy and market pressures. In this analysis, the terms “neoliberalism” and “globalization” are used to describe the economic, political, social and ideological foundations of global capitalism in general, but by no means as a monolithic, rigid or inflexible system. Rather, neoliberal globalization is a complex, ever-shifting and often contradictory process, and CSER must be considered in relation to this process.

Driving factors behind an increasingly global CSER include crises such as corporate scandals, the anti-globalization movement and threats of binding international corporate regulation rather than voluntary corporate self-regulation. Other factors in the rise of CSER include the global push for competitiveness and innovation with the commercialization of new environmental technologies and increased exposure to social and environmental expenses and liability. In short, the key drivers of CSER stem from the social, environmental and economic impacts of globalization in its varied manifestations.

The discursive strategy of CSER is hegemonic in a Gramscian sense, whereby a social group needs to secure ideological consent in addition to political domination in order to maintain continued power. The shift towards an increasingly global discourse of CSER marks a shift in the strategy for proponents of neoliberal globalization from a rampant and destructive accumulation strategy resembling the early days of industrialization to a form of self-regulation similar to the early days of the welfare state

and the Fordist mode of production. This strategy does not represent a departure or a retreat from the overall project of neoliberal globalization, but rather a deeper retrenchment.

My research will canvas the hegemonic discursive strategy of CSER across a broad spectrum of sites operating within capitalism. I will examine public statements, policy documents and texts of corporations, financial institutions, non-governmental organizations (NGOs), business organizations and other actors within global capitalism. In particular, I will draw examples from the Globe 2004 8th Biennial Trade Fair and Conference on Business and the Environment held in Vancouver, Canada between March 31- April 2, 2004, which I attended as a case study into the dynamics of the discourse of CSER. Through the critical unpacking and analysis of the form, function, and implications of the discourse of CSER, my research will seek to reveal the mechanisms and dynamics of this trend, its key assumptions, what it neglects, and how this trend fits into the logic of global capitalism. My thesis will analyze how this discourse is articulated within neoliberal globalization as a distinctive accumulation strategy, the coherence of the discourse, and the social forces recruited.

Through mapping the hegemonic discursive strategy of CSER, this thesis exposes material limitations and contradictions inherent to CSER as an ideological and political project which is rooted in the fact that profit is ultimately the single bottom line in any capitalist system. CSER is fraught with internal tensions and conflicting interests. This poses challenges for social and environmental movements who engage with CSER, for these movements are precariously situated between positions of cooperation and

cooption. At the same time, recognition of these very contradictions may in fact pose opportunities for social and environmental change.

This thesis will examine the discourse of CSER using the Globe 2004 Trade Fair and Conference on Business and the Environment in Vancouver Canada as a case study for analysis. The first chapter provides a historical overview of CSER, the theoretical and methodological framework for analysis, a preliminary mapping of the discourse of CSER, and an introduction to the Globe 2004 case. The next chapter illustrates ways in which the discourse of CSER is linked to neoliberal globalization as a capitalist accumulation strategy, in particular how corporate actors make the business case for CSER. The third chapter examines how CSER coheres as a hegemonic discourse, and the extent to which CSER is propaganda or “just public relations”. The fourth and final chapter investigates prospects for counter-hegemonic movements while highlighting the dangers of “cooperation” between corporate actors and social and environmental groups.

Chapter 1: Framing Corporate Social and Environmental Responsibility

A Brief History

The concept that corporations bear certain obligations to serve the public interest dates back to the late-19th- century, when early industrial enterprises in the United States were kept under state control through the use of corporate charters (Richter, 2001, 6). Government regulation of the corporation has evolved over the past century in most democratic countries to ensure at least minimal protection of workers and society in general, including legislation on minimum wages, maternity leave, occupational health and environmental protection, amongst others (Richter, 2001, 7). Varied corporate social responsibility models have emerged throughout modern history in response to legitimacy crises. Public relations campaigns were launched in response to popular discontent over corporate power during the early-20th-century merger movement, at the end of World War I with promises of better wages and working conditions under a “New Capitalism”, and again during the 1930s as a response to the perceived failures of corporate America during the Great Depression (Bakan, 2004, 16-19).

One of the first authors to employ corporate social responsibility in the modern sense of the term was Howard R. Bowen in his 1953 book *Social Responsibilities of the Businessman*, which defined the social responsibilities of businessmen as “... the obligation of businessmen to pursue those policies, to make those decisions, or to follow those lines of action which are desirable in terms of objectives and values of our society.” (Bowen, qtd. in Anderson, 1987, 6) However, most leading businessmen at the time maintained an opposing view of corporate social responsibility, articulated perhaps most famously by Hayek and Friedman. Friedrich A. Hayek argued: “If we want effectively to

limit the powers of corporations to where they are beneficial, we shall have to confine them much more than we have yet done to one specific goal, that of the profitable use of the capital entrusted to the management by the stockholders” (Hayek, 2004, FP19).

Similarly, Milton Friedman in his book *Capitalism and Freedom*, concluded that other than upholding the basic laws of society, the only social responsibility of business is to make profits: “... there is one and only one social responsibility of business– to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game, which is to say, engages in open and free competition, without deception or fraud” (1962, 133).

The term “corporate social responsibility” began to be used in the 1960s in the United States and gained increasing currency after 1970 (De George, 1996, 18). The global implications of corporate social responsibility became a subject of wider discourse in the mid-1970s, when the ethical responsibilities of multinational corporations were taken up as a topic for social debate. The UN Centre on Transnational Corporations, established as the research and administrative body of the new UN Commission on Transnational Corporations in 1972, began to discuss codes of conduct for corporations, while churches, universities, foundations, trade unions, and other social institutions began to call for greater social accountability from corporations (Smith, 1981, 79). Some of the primary targets of criticism were Newmont Mining Corporation for its deplorable working conditions in Namibia; Nestlé for its promotion of infant formula in “developing” countries, which contributed to malnutrition and death of infants; and companies operating in the South African apartheid regime (Smith, 1981, 80). People concerned with corporate social responsibility took action through divestiture and boycott

strategies targeted at specific issues such as apartheid, animal rights and infant formula.

Over time, the concept of business ethics and social and environmental accountability for corporations gained currency, and the general trend from the 1980s onwards was towards a greater corporate acknowledgment of social responsibilities. Factors contributing to this trend included highly publicized corporate scandals and the increasingly global nature of corporate activities. The 1980s also brought strong resistance against regulation of transnational corporations, particularly in the Reagan and Thatcher era of neoliberal conservative economic policies, and efforts to create a UN Code of Conduct for TNCs were basically abandoned (Richter, 2001, 10). A few issue-specific international codes of conduct were adopted, such as the 1981 International Code of Marketing of Breast-milk Substitutes, the 1985 UN Guidelines for Consumer Protection, the 1985 FAO International Code of Conduct on the Distribution and Use of Pesticides, and the 1988 WHO Ethical Criteria for Medicinal Drug Promotion, and even these measures were implemented only as a result of intense international public pressure (Richter, 2001, 10). The early 1990s brought new corporate actors to take up issues of corporate governance such as the Business Council for Sustainable Development, which was invited during the 1992 UN Conference on Environment and Development to write recommendations for sustainable development in industry in lieu of the UN Centre of Transnational Corporations' policy recommendations (Richter, 2001, 11).

To date, there is no legally binding global code of conduct for transnational corporations or for foreign direct investment. CSER is largely voluntary and self-regulated. Corporations can selectively adhere to international standards, such as the UN Global Compact and the ISO 14000 and ISO 14001 environmental standards. The UN

Global Compact, established in January 1999, includes nine principles of core values in the areas of human rights, labour and the environment. The compact is a voluntary network with no legally binding regulatory authority, as it “relies on public accountability, transparency and the enlightened self-interest of companies, labour and civil society” (UN Global Compact, 2004). As well, certain companies may be under increasing pressure to conform to ISO 14000 and 14001 standards of environmental policies, assessments and management, developed by the International Standards Organization in Switzerland, but compliance remains voluntary. Finally, since there is no agreed upon definition or understanding of CSER, it has proven difficult to apply strict standards or sanctions to firms which do not comply with codes (De George, 1996, 20).

Issues of corporate governance continue to be raised at the transnational level, for instance in 1999 when the OECD and the World Bank together created a “global corporate governance forum” in response to a series of corporate governance crises, notably the Asian and Russian financial crises of the late 1990s (Sklair, 2001, 154). The transnational corporations in turn argued that they deserved the right to police themselves rather than be policed through outside arbiters (Sklair, 2001, 154).

The trend towards widespread corporate adoption of social and environmental responsibility in theory is manifest in the web-sites, advertisements and public statements and documents of most leading factions of capital. This trend has become ever more pervasive in the past decade and can be seen in many ways as a corporate response to growing popular dissatisfaction with the negative social and environmental effects of neoliberal globalization, evident in the rising anti-globalization movement. The debates and issues surrounding corporate accountability, responsibility and transparency have

continued to brew, with the swelling of protest movements since Seattle. Corporations, financial institutions, business organizations, think tanks, and other factions of capital have responded with a growing web of a discourse of CSER, including words such as “partnerships”, “corporate citizenship”, “corporate governance”, “sustainable development”, “dialogues”, “sponsorships”, and “forums”. At the same time, many NGOs, social justice and environmental groups, and social democratic or “progressive” organizations have engaged in the discourse of CSER, encouraging good corporate citizenship, condemning bad corporations, and engaging in limited partnerships and dialogues with corporations and governments.

Ideology, Hegemony and Counter-hegemony

My analysis of CSER as a hegemonic discursive strategy is situated within international political economy literature inspired by the works of Marx and Gramsci. Certain readings of Marx ignore the dialectical nature of original Marxist methodology and tend towards economic reductionism, while certain readings of Gramsci overemphasize the cultural and ideological implications of his work, ignoring his close relationship to Marx, and tend towards relativism. Mark Rupert observes that there is “an absence of an explicit interpretation of the relationship of Gramsci to Marx, the fundamental vision of human social life which they may have shared, and the relationship of any such Marxian-Gramscian social ontology to the theory and practice of IPE.” (1995, 15). My research sees both Marx and Gramsci as complementary, and draws from both Marx’s concepts of bourgeois ideology and capitalist crisis, and Gramsci’s concepts of hegemony and counter-hegemony as tools for critical analysis of the discourse of CSER.

Although there is no single Marxist definition or conception of ideology, in any Marxist analysis, ideology essentially serves to conceal the contradictory nature of social relations premised on class. Marx famously wrote, “The ideas of the ruling class are in every epoch its ruling intellectual force” (1978a, 172). He argued that the ruling class is compelled to represent its own interests as the common interests of all members of society: “put in an ideal form... [the ruling class] will give its ideas the form of universality, and represent them as the only rational, universally valid ones”(1978b, 173). That is, ideology serves to misrepresent and to conceal social contradictions in the interest of the ruling class by presenting a world view of cohesion and universality. Marx argued that ideological contradictions manifested in political, conscious and intellectual antagonisms are the expressions of basic material considerations, such as the division of labour and other conditions of capitalism (Larrain, 1983, 1).

Bourgeois political ideology is premised on the idea that the sphere of circulation of commodities:

is in fact a very Eden of the innate rights of man. There alone rule Freedom, Equality, Property and Bentham. Freedom, because both buyer and seller of a commodity, say of labour-power, are constrained only by their own free will. They contract as free agents and the agreement they come to is but the form in which they give legal expression to their common will. Equality, because each enters into relation with the other, as with a simple owner of commodities, and they exchange equivalent for equivalent. Property, because each disposes only of what is his own. And Bentham, because each looks only to himself. (Marx, 1976, 280)

The appearance of freedom and equality within the sphere of circulation of commodities conceals what goes on beneath the surface, in the realm of production, where workers are forced to sell their labour-power to owners in order to survive, and the worker is neither free nor equal, but rather is exploited and alienated (Larrain, 1983, 36). Marx argued that

the sphere of circulation is the source of ideological forms of consciousness, and bourgeois ideology highlights concepts of freedom and equality operating within the circulation of commodities while concealing class conflict and contradictions within capitalism at the level of production. In other words, the separation of the political from the economic is vital for the maintenance of the capitalist system because the internal relationship between the two is concealed by ideology.

Marx's analysis of bourgeois ideology illustrates ways in which ideology can function to disguise social realities and to legitimize capitalism. The exploitation which occurs on the level of production today, for instance in sweat shop labour and cash crops, is masked by the liberal dictum that trade benefits all, and that the market rewards enlightened self-interest. Marx's concept of capitalist accumulation is crucial to understand the inequalities in capitalism which ideology seeks to mask.

The tendency for owners to accumulate more and more capital, according to Marx, drives the conquest of new markets and the further exploitation of old markets, resulting in the destruction of the labour force:

The conditions of the bourgeois society are too narrow to comprise the wealth created by them. And how does the bourgeoisie get over these crises? On the one hand by enforced destruction of a mass of productive forces; on the other, by the conquest of new markets, and by the more thorough exploitation of the old ones. That is to say, by paving the way for more extensive and more destructive crises, and by diminishing the means whereby crises are prevented. (Marx and Engels, 1978b, 478)

Lenin elaborated upon Marx's conception of capitalist accumulation through constant expansion in his *Imperialism: The Highest Stage of Capitalism*, in which he presaged the globalization of capitalism in the twentieth century, advancing the notion of an ever-expanding, highly destructive form of monopoly capitalism (Lenin, 1939). Increasing

polarization across axes of class, race and gender, entrenched and deepening inequalities between “developed” and “developing” countries, and intensifying global ecological crises all point towards crises in the neoliberal globalization of the twenty-first century.

Marx’s theory of capital accumulation has recognized limitations insofar as it was a product of its time; it did not predict the flexibility of capitalism, specifically its ability to adapt to crises of legitimation. Gramsci’s concept of hegemony is useful for understanding the ways in which dominant classes in capitalism continually re-legitimize themselves to maintain political power. In Gramsci’s conception, a social group manifests its hegemony through both “domination” and “intellectual and moral leadership” (Gramsci, 1971b, 57). A social group must already exercise “leadership”, or secure consent, from the rest of society before attaining political power, and can only maintain continued power through a continuation of “leadership”. When confronted with what Gramsci terms an organic crisis; that is, when the ruling class loses its consensus and is only “dominant” through coercive force, hegemony is weak and must be replaced by something “new”. In this context, hegemonic projects are begun, reinforced, launched, and reinvented in order to maintain a firm consensus, a transformation termed “passive revolution” in Gramscian terminology. According to Gramsci, a “passive revolution” occurs when “no social formation disappears as long as the productive forces which have developed within it still find room for further forward movement.. (and) a society does not set itself tasks for whose solution the necessary conditions have not already been incubated” (1971b, 106-7) .

In *Americanism and Fordism*, Gramsci provides a systematic analysis of the characteristics of American Fordism, and of the social and cultural implications of the

advent of higher-wage mass production. He argues that Fordism involved the rationalization and manipulation of “subaltern” forces to create “a new type of worker”, whereby workers were offered “high wages” in a “progressive” new production mode, and dissuaded from any type of worker militancy (1971a, 279-81). Gramsci leaves open the question of how the contradictions within the development of Fordist capitalism could be resolved, and does not venture to classify it as “good” or “bad” but rather describes its dynamics.

Gramsci was concerned with creating a “revolutionizing praxis”, or an intellectual revolution drawn from the working class. A key difference between Marx and Gramsci lies in the latter’s insistence that ideas and the social forces behind ideas must be confronted before a revolution can occur (Gramsci, 1971d, 323). In other words, for a revolution to be effective, it must not only physically overthrow the dominant classes, but it must confront the hegemonic ideas of the dominant classes which create a “common sense”-- for example, the common sense notion that the market can regulate itself. Gramsci underscored the need for an effective “counter-hegemony” to permeate the social, cultural and ideological foundations of society in order to sustain power and consensus. Gramsci advocated a “war of position” as opposed to a “passive revolution” as a counter-hegemonic strategy for social change, a constant maneuvering in spheres of culture, ideology and politics while keeping in mind “that in political struggle one should not ape the methods of the ruling classes, or one will fall into easy ambushes” (1971c, 232). One of the difficulties with Gramscian counter-hegemonic strategies is making the distinction between what is a concession and what is a gain in the “war of position”.

This thesis posits that the discourse of CSER is a hegemonic strategy employed

by and for various proponents of neoliberal globalization, used in large part to ensure the cooption and consent of those with different viewpoints. As the neo-Gramscian political economist Bob Jessop argues, three factors are essential for a successful hegemonic project: its form or structural determination, the social forces recruited into it, and its relationship with a particular accumulation strategy (1983, 106). CSER is omnipresent in the lexicon of capitalism today, which, while fraught with contradictory impulses, is coherent as a discourse: a proposition this thesis will set out to demonstrate. The corporate world has adopted the discourse of CSER in response to crises of legitimacy, in order to secure consent and to become a pervasive, “common sense” concept. This makes CSER hegemonic. Finally, the hegemonic discourse of CSER is being used as a strategy by proponents of neoliberal globalization. Neoliberal globalization itself is a larger strategy, and it is the defining political, economic and ideological strategy of capitalist accumulation today. This accumulation strategy is shifting from a form marked by outright domination and exploitation to a more subtle but equally exploitative form.

Peck and Tickell’s theory that “neoliberalization” is distinguished from “neoliberalism” helps to explain the use of neoliberal globalization in this context. Peck and Tickell argue that neoliberalism as a fixed “ism” can be distinguished from neoliberalization as a process, which changes over time. While at first the process of neoliberalization aimed at the deregulation of the welfare state (or a “roll-back”), now that it has secured greater domination within the world economy it has initiated new “roll-out” forms of neoliberal regulation, such as adherence to international financial institutions and free trade, devolution of federal obligations to local governments, and workfare programs (Peck and Tickell, 2002, 390-91). It is within this second roll-out

phase of neoliberalization, concerned with legitimacy and self-regulation, that CSER is embedded as a particular accumulation strategy.

This thesis is not the first to examine CSER from a perspective informed by political economy. In his book *The Myth of Green Marketing*, Toby Smith examines and unpacks green consumerism as myth wrapped into the “discourse of productivism” or “productivist hegemony”, a popular, common sense acceptance of the world view which promotes industrialization, consumerism, and “progress” in the modernist sense (Smith, 1998, 7-8). In *A New Green Order? The World Bank and the Politics of the Global Environmental Facility*, Zoe Young explains how the Global Environmental Facility (GEF) was set up in 1991 under the auspices of the World Bank to deflect global environmental protest, and how its mandate of global environmental reform is in fact tied to damaging World Bank and IMF economic, social and environmental policies (2002).

Leslie Sklair identifies four elements of global corporate citizenship in his book *The Transnational Capitalist Class*: employee relations, corporate philanthropy for community development, the safety and health of people who are impacted by corporate activities, and the environmental challenge (2001, 159-60). Sklair describes in Gramscian terms how the transnational capitalist class has created a “sustainable development historical bloc”, whose ideological mission is “to deflect attention from the idea of a singular ecological crisis and to build up the credibility of the idea that what we face is a series of manageable environmental problems.” (2001, 207) The piecemeal reforms of CSER, plagued with tensions between self-interest and altruism, are doomed to fail, for they do not address fundamental ecological crises or the ever-intensifying polarization of class on a global scale (Sklair, 2001, 301). Like Sklair, my thesis avoids a

discussion of the true “intentions” of corporations, and posits a structural critique of CSER in its relationship to global capitalism.

Marx’s concept of bourgeois ideology and capitalist crisis, and Gramsci’s concepts of hegemony and counter-hegemony are useful for understanding how the discourse of CSER functions both ideologically and hegemonically, and how contradictions in the practice of CSER are hidden through the separation of the socio-political (social and environmental movements) and economic (corporate) spheres.

Mapping the Discourse

The concept of CSER is addressed not only by corporations and the corporate world but has become a subject of discussion among non-corporate actors such as NGOs, governments and agencies. There are a number of approaches to CSER, and the differences between them relate to the weighting of the three “pillars” of CSER: the social, environmental and economic. Certain groups emphasize parts of this “balance” more than others; for instance human rights NGOs emphasize the social, environmental NGOs emphasize the environmental, and corporations, despite increasing rhetoric about the equal balance of all three, emphasize the economic (profit).

Two dominant approaches are identifiable within the wide spectrum which constitutes the discourse of CSER as a whole. The first, which I term the “corporate approach”, is advocated by most leading transnational corporations, business think tanks, international financial institutions and business organizations, and, despite some variations, it is ultimately concerned with the bottom line of profitability. The second, which I term the “social-environmental approach”, is advocated by liberal or social democratic organizations, institutions, think-tanks, and intellectuals concerned primarily

with the adverse consequences of corporate social and environmental *irresponsibility*. The approaches are distinct yet deeply interconnected, and the appearance of separation between the political and the economic approaches serves to mask the underlying relationship, following Marx's concept of bourgeois ideology. In particular, since the "social-environmental approach" positions itself in contradistinction to the "corporate approach", the dangers of cooption of social-environmental movements are less obvious.

By far the most research on corporate responsibility has been done by adherents of the corporate approach. The scope of this research ranges from advocating little or no social responsibility to advocating a great deal of social responsibility, but the profit motive of the corporation is invariably the guiding principle. Examples of the corporate approach include business ethics journals such as *Journal of Business Ethics*, *Business Ethics Quarterly* and *Business Ethics Magazine*, numerous books and other publications. These publications generally advocate targeted principles of business ethics and CSER to improve corporate public relations and profit. The magazine *Corporate Knights*, an insert into the Canadian newspaper *The Globe and Mail* that was featured at the Globe 2004 Conference, takes a firmer line in advocating business ethics, showcasing good corporate citizens as exemplars and pointing out bad corporate citizens as tyrants. As the vision statement of "Corporate Knights" states:

The vision of Corporate Knights is to create a global organization that is trusted as the Canadian and global source for who is good in the corporate world and who is not. The easier it is to make this distinction, the greater the reward for companies that are onside, and the more pressure to change for those that are not. (Corporate Knights, 2004)

At the World Economic Forum in Davos, Switzerland in January 2000, President James D. Wolfensohn of the World Bank Institute launched "Corporate Social

Responsibility” and “Corporate Governance” programs (World Bank Group, 2004). These themes have been regular topics at conferences and discussions hosted by the World Bank “Development Forum” since 1998. Another prominent international advocate of CSER is the World Business Council for Sustainable Development, a coalition of 170 international companies drawn from over 35 countries and numerous regional and national business networks (WBCSD, 2004).

While the discourse of CSER is arguably strongest at the transnational level, given the power and suspicion surrounding transnational corporations, national corporations, particularly in western countries, are attempting to keep pace. One national coalition organized around issues of CSER is Canadian Business for Social Responsibility (CBSR), a “non-profit, business-led membership organization of Canadian companies that have made a commitment to operate in a socially, environmentally and financially responsible manner.” (CBSR, 2004) The United States Business Council for Sustainable Development and CSR Europe address similar business-driven CSER issues. The fact that the discourse of CSER is being adopted both transnationally and within western countries, albeit unevenly, points to its pervasiveness.

There are also numerous web-sites which serve to guide corporations on issues of CSER. For instance, the Manaxis CSR Reporting web-site, a New Jersey-based company, provides “environmental, health and safety, and social accountability consulting, training, and auditing services to businesses in the Northeast USA and worldwide...” (Manaxis, 2004). The AFX Global Ethics Monitor (AFX-GEM), a news service for business and financial professionals, provides global news coverage of financial markets, companies and economies to professional and private investor

communities, and highlights issues surrounding corporate social responsibility (Global Ethics Monitor, 2004). The CSR Forum web-site provides a comprehensive list of companies around the world and their individual responses to the issue of corporate social responsibility, as well as a list of “key players” engaged in CSR issues (CSR Forum, 2004). These web-sites demonstrate the extent to which CSR has embedded not only in the rhetoric of corporations, but in a vast array of interconnected “key players” in the global market economy.

The second “social-environmental approach” is connected to the “corporate” approach and in some manifestations seems almost inseparable from it. This approach is situated in liberal and social democratic concepts and responses to CSER. It spans areas of law, public and social policy, social justice think tanks, university departments, organizations such as the United Nations and Greenpeace, and non-governmental organizations. In general, this approach is critical of corporations and questions their capacity, ability and inclination to adopt meaningful programs of social and environmental responsibility. The body of literature associated with this approach emanates from UN reports, law and social policy journals, social science research journals, “progressive” web-sites and “left” organizations and think tanks, which have written more critically of corporate misdemeanours, of the failings and hypocrisy of corporate philanthropy and CSER, and of the gap between theory and praxis.

Most research in this category advocates a move towards stronger CSER and stronger regulations. The United Nations Environment Program is an international organization set up “...to provide leadership and encourage partnership in caring for the environment by inspiring, informing, and enabling nations and peoples to improve their

quality of life without compromising that of future generations.”(UNEP, 2004). Other examples include the Institute for Global Ethics, whose mission is “to promote ethical behaviour in individuals, institutions and nations through research, public discourse and practical action” (2004) and think tanks such as the Canadian Centre for Policy Alternatives, which provides critiques of current trends in neoliberalism and globalization.

The approaches overlap considerably and in some cases, given the “cooperation” model inherent in the discourse of CSER, the division between the two is blurred. The spectrum of approaches, from CSER how-to guides for management to corporate-critical NGOs, forms the discourse of CSER. Despite vastly different strategies, objectives and definitions, these approaches share commonalities. They assume that CSER is a worthy and viable project, they tend to view CSER in terms of good versus bad corporations, and they use the same language. Whether this consensus is driven by altruistic, ambivalent or Machiavellian intentions, is beside the point. The real question is whether CSER is feasible as a long term strategy– whether capitalism is sustainable, whether corporations are capable of self-regulation, and whether CSER as a strategy resolves, forestalls or exacerbates social, environmental and economic crises systemic to global capitalism.

Limitations and Contradictions

The fact that the “corporate” and “social-environmental” approaches are different in appearance yet share an overarching discourse poses limitations on the possibilities for counter-hegemonic strategies engendered in social and environmental movements. Some NGOs, such as Greenpeace and Amnesty International, refuse to join partnerships with or to receive funding from corporations or governments. Increasingly, however, other

NGOs such as Pollution Probe and World Wildlife Fund are seeking partnerships and cooperation with corporations, international institutions or governments for various reasons, often for financial support but also to achieve short term goals or to forge strategic alliances.

The dominant trend in political, social and economic discourse is towards a positive approach to CSER, albeit one with a vast range of contested definitions, visions and applications. The two prevailing approaches together constitute the discourse of CSER but a third approach exists which is opposed to CSER. The neoliberal critique of CSER, expressed in the policy paper of David Henderson entitled “Misguided Virtue: False Notions of Corporate Social Responsibility” (2001) acknowledges that the doctrine of CSER enjoys widespread support from a range of individuals, institutions, agencies and governments, and traces its rise as a dominant ideology, including its roots and factors, and its contested definitions and applications. But Henderson concludes that the doctrine ultimately reduces competition and economic freedom, serving to undermine the logic and functioning of the market economy. In this sense, he is a contemporary Friedman, subscribing to the concept of profit before social accountability, and convinced by the value of a largely unmitigated market economy. Henderson attests that there are few, even among the business community, who would go against the global “trend” and refuse to include at least token statements on human rights or sustainability in their companies’ publicly stated policies.

Like Henderson, I argue that CSER is a doctrine which has pervaded the social-environmental and business spheres. I also argue that the profit motive is incompatible with social and environmental responsibility, and that corporate self-regulation poses

dangers. There are further contradictions and dangers involved in corporate self-regulation of social and environmental issues, as these issues are bound at least in some instances to come into conflict with the profit motive of corporations.

Corporations are created and bound by law, and “the best interests of the corporation” principle, which is the corporate law of most countries, stipulates that corporations are legally bound to put shareholders’ interests of profit above all other interests (Bakan, 2004, 37). Most meaningful social and environmental commitments are thus consigned to the realm of cost-ineffectiveness (chapter 2 will examine the business case for CSER and its alleged cost-effectiveness). The uneasy alliance between corporate, social and environmental objectives wrapped in the discourse of CSER is by definition fraught with disjuncture and even impossibility. As Joel Bakan, the author of *The Corporation* concludes, “Corporate social responsibility is thus illegal— at least when it is genuine.” (2001, 37). For Bakan, the shift in corporate discourse is illusory at best:

Corporate social responsibility is their (companies’) new creed, a self-conscious corrective to earlier greed-inspired visions of the corporation. Despite this shift, the corporation itself has not changed. It remains, as it was at the time of its origins as a modern business institution in the middle of the nineteenth century, a legally designated “person” designed to valorize self-interest and invalidate moral concern. (Bakan, 2004, 28)

Globe 2004 as a Case Study

The Globe 2004 Conference in Vancouver provided a unique opportunity to experience first hand the ways in which CSER is being discussed by a cross-section of key players in CSER. This international conference was part of the Globe™ Series organized by the Globe Foundation of Canada, “a private, non-profit group dedicated to accelerating the business of the environment” (Globe 2004, 2004b). The Globe

Conference began in 1990 and has since grown in prestige and in size to close to 10,000 participants from around the world. I attended the conference in full, including three plenaries on the themes of the conference (corporate sustainability, energy and climate change, and sustainable cities), six sessions on strategies, innovation, tools and case studies of corporate sustainability, two networking breakfasts, and a women's networking lunch. I also investigated the products and technologies promoted at the trade fair. The President and CEO of the Globe Foundation of Canada, John Wiebe, described the impetus behind the conference in his letter of welcome to Globe 2004 Conference participants:

Over the past decade, GLOBE events have provided an ideal platform for government decision makers, business executives, technology specialists, communicators and leaders in environmental innovation to discuss emerging management and technology... This year's GLOBE Conference comes at not only a challenging time on the road to environmental sustainability, but also an exciting one as innovators and business leaders capitalize on progressive solutions to today's global environmental challenges. (Wiebe, 2004, 2)

The Globe 2004 conference included three days of plenaries, sessions, and networking social events with speakers, delegates and participants from corporations, non-governmental organizations, business organizations, academia, governments, financial institutions, and development agencies, across transnational, national and municipal levels. Top sponsors of the event included the Government of Canada ("diamond supporter"), the newspaper *The Globe and Mail*, the United Nations Environment Program (UNEP), and Alcan ("platinum sponsors"), Suncor Energy, Export Development Canada, EcoSmart Concrete and BC Hydro ("gold sponsors"), and a host of other corporations, organizations and institutions.

The Globe 2004 Trade Fair and Conference on Business and the Environment was an event designed to promote dialogue around CSER across various sectors in capitalist society. I set out to compare my analysis of the discourse of CSER as evidenced in publicly available documents of corporate and social-environmental groups, with the interactive panels, discussions and dialogues at the conference. Several of my observations about the dynamics of CSER were confirmed. There was a great diversity of approaches present at the conference, ranging from a “risk management” perspective to a concern with “embedding sustainability” in theory and practice. Corporate executives from national and transnational companies, representatives from various levels of government, lawyers, and representatives from financial institutions alike stressed common reasons for adopting CSER, and defined CSER using similar criteria, metaphors and strategic approaches. The impact of crises such as Enron, WorldCom and anti-globalization protests were mentioned by a number of speakers as key driving factors behind CSER. CSER as an “early warning system”, a means of keeping ahead of the international regulatory curve, and as risk or issue management, were also among the top reasons for adopting CSER. In addition, speakers mentioned the importance of maintaining shareholder or “brand” value, otherwise known as corporate reputation.

The merits of adopting CSER were championed both on moral grounds and on grounds of corporate competitiveness and innovation. Some referred to CSER as “enlightened self-interest”, and many referred to the implementation of CSER distinctly as a “strategy”. There were a number of common metaphors which ran through the conference discussions and plenary sessions. Most pervasive was the triple bottom line approach to sustainability which downplayed the profit motif of corporations and argued

for an equal weighting of social, environmental and economic factors. Indeed, two keywords of the conference were “capitalize” and “sustainability”, and the prevailing message was that business can, should and must capitalize on sustainability in order to remain both ethical and profitable.

Other common metaphors included the “ecological footprint”, “walking the talk”, “front of the pipe versus end of the pipe”, which refers to the stage at which environmental sustainability practices are embedded into technologies, “picking fruit from the bottom of the tree”, which refers to efficiency, and “cradle to cradle versus cradle to grave”, which refers to maintaining sustainable lifecycles of products. The CEO of Interface Inc., Ray Anderson, who has become something of an icon of corporate sustainability since release of the 2004 Canadian documentary *The Corporation*, used the metaphor of “Mount Sustainability”: a difficult climb with seven faces to overcome. Similarly, speakers employed the image of a “path” or a “road” to sustainability, and sought for means to measure this seemingly unquantifiable goal, through creating “roadmaps”, “benchmarks”, “metrics” and “targets”. A common approach to CSER in the conference was the “candid” strategy, where top corporate executives and representatives of organizations would engage in “honest”, informal discussion, inviting criticism, engaging in selective self-criticism, and accounting for challenges along the “path” to sustainability. The sessions “CEO Armchair Dialogue” and “The Highs and Lows of Implementing Sustainability: A Practitioner’s Perspective” were two examples of these types of sessions.

Practical strategies of engagement and implementation of CSER were also addressed within the conference. Speakers discussed prospects for public-private

partnerships, partnerships between business and non-governmental organizations, dialogues with stakeholders, networking, “clusters” of strategic partnerships or alliances across various sectors of society. The conference was designed for networking and cooperation between diverse groups, yet the participants in the conference reflected disproportionate attendance from national corporations. NGO participation was limited to a handful of representatives, and, despite the promotion of the conference as “international”, there were relatively few transnational corporations. Nonetheless, strategies of transnational corporations’ adoption of CSER were addressed throughout the conference, and companies such as Shell and Nike were held up as luminaries in the field.

Given the disproportionate number of national and subnational firms present at the conference and the focus on strategies, innovation, tools and case studies in the “corporate sustainability” stream of the conference, one of my observations was that CSER, while increasingly widespread at the transnational level, is still lagging at national and subnational levels, partly because of the higher public profile, legacy of corporate scandals, and greater risk involved for TNCs. Since CSER can be framed as a “hegemonic discursive strategy” employed by and for proponents of neoliberal globalization, it is fitting that the TNCs and selected high profile national corporations are deemed exemplars and visionaries, while the rest of the corporate world struggles to follow.

There were also unexpected trends in the discourse of CSER that I observed. First, the discourse of CSER is becoming increasingly widespread, but its growth is uneven, inconsistent and varied. The level to which CSER is adopted or “embedded” is

far-ranging, and there are still a number of corporations that have not yet adhered to this form of self-regulation, particularly within smaller firms. Second, many corporations have a deeper commitment to corporate environmental responsibility than corporate social responsibility. This is a subject that will be investigated further within this thesis. Third, corporate actors demonstrated a surprising reflexivity to criticisms waged against CSER itself, even posing the question “Is CSR Just PR?” as a networking breakfast topic. Finally, corporate actors showed cognizance of the dangers and risks of corporate adoption of social and environmental responsibility, the possible repercussions of opening floodgates of public scrutiny.

My experience of the discourse of CSER as played out at the Globe 2004 Conference highlighted the fact that there are serious limitations and contradictions inherent in the discourse and practice of CSER. Furthermore, the risks of uneasy partnerships and alliances between corporate and social-environmental interests are incurred by both sides. One of the major themes of the conference was the idea that CSER is not only cost effective but it actually improves the bottom line. The participants at the conference neglected to inquire what happens when CSER is not cost effective. The theme of profitable CSER is the essence of the business case for CSER and it served as the guiding tenet of the conference and trade fair.

Chapter 2: “Good Business is Good Business”

Within the corporate world view, CSER has become increasingly widespread as a “common sense” idea in the “global” era. The March 2004 issue of *Report on Business Magazine* proclaimed corporate social responsibility to be “the most important issue of the century” (Mang, B9). Despite the growth of CSER as a prevailing issue, much of the CSER literature makes a strong distinction between “luminaries” or “visionaries” in the field, and “laggards”. The magazine *Corporate Knights*, for example, an insert in *The Globe and Mail*, uses as its central metaphor “corporate knights”: vanguard and noble, and its articles feature good (knightly) versus bad (beastly?) corporations. The Globe 2004 Trade Fair and Conference in Vancouver showcased “luminaries” in the field of CSER in its business seminars, exhibits and workshops, and the participants were encouraged to follow such inspirational leadership. The refrain within the conference was that CSER is “progressive”, against-the-current thinking which reaps tremendous business value if only harnessed. This chapter explores how the business case for CSER serves to anchor the discourse of CSER to strategies of capital accumulation in a globalizing world. Drawing upon eco-socialist critiques of sustainability, this chapter provides an analysis and critique of the business case for CSER. A key question behind this investigation is: what happens when good business is *not* good business?

“Why Bother?”

At the Globe 2004 April 1 panel session entitled “Financial Institutions and Sustainability,” RBC Financial Group representative Sandra Odendahl candidly represented the question of corporate motivation behind CSER with the power-point header: “CSR: Why Bother?” RBC’s answer to this question, like most other corporate

answers, was a balance of profit and people factors: corporate culture and history (“the moral case”), satisfaction of stakeholders (profit), and to “add value” to the institution as a whole.

There is no single “business case for CSER”, as there are competing ideas of why and how to address CSER issues and to what extent. In general, the business case for CSER can be encapsulated in the phrase “good business is good business”, a tag line for VanCity Bank (Vancouver, Canada). This phrase contains the two primary corporate arguments for CSER: that it is profitable (financially good for business) and it is the “right thing to do” (morally and ethically good as business). Underlying these arguments is a fundamental premise that profitability and social and environment ethics are perfectly compatible in any circumstance. Reflecting this premise, Vancouver Mayor Larry Campbell stated in his speech at the Globe 2004 Sustainable Cities plenary on April 2 that society should get rid of the left and the right and instead, society should adopt corporate sustainability, for “it doesn’t matter if you believe it because it’s good or because it’s profitable... just do it!”

The strongest profit-based argument for CSER is that corporations ignore CSER at their own peril, a concept that threatens the very survival of corporations. This was one of the core themes of the Globe 2004 conference, and it is entrenched in much of CSER discourse. Gilbert Parent, Ambassador for the Environment and Sustainability and former Speaker at the House of Commons in Ottawa, stated in his March 31 Globe 2004 plenary speech: “Those businesses who do not abide by sustainability do so at their own peril.” In a panel session later that day, Robert Telewiak of Noranda Inc. stated that “industry ignores civil society at its own peril.” Travis Engen, CEO of Alcan, is quoted

in the Globe 2004 April 1 Daily News as stating: “There is a business model for sustainability. There is no way that any major corporation can fail to see this, and they fail to see this at their own peril” (Engen, qtd. in BNA, 2004b). In yet another instance, the Government of Canada’s report on Corporate Social Responsibility noted, “Companies that participated in the *Lessons Learned* study¹ identified a clear business case for Corporate Social Responsibility, underlining that companies ignore CSR at their peril” (2003, 2). These are just a few of several instances in which the notion of peril is parroted across the discourse of CSER, and each time it is delivered as if it is original.

The “peril”, in more tangible terms, is linked to the onset of globalization, with corporate scandals (most recently, Enron, WorldCom) topping the list of dangers. During the April 1 panel session on corporate reporting, Betty Ann Haggie of Potash Corp. remarked that the major reason Potash Corp. has adopted a “path” to sustainability was because of corporate reputation, citing statistics from the World Economic Forum demonstrating that corporate reputation is the highest factor in market capitalization, at 40%. At another April 1 panel session entitled “International Environmental Regulatory Management: Operational Challenges in a Global Market”, William L. Thomas, a member of the Environment, Land Use and Natural Resources Group at Pillsbury Winthrop, cited globalization as one of the main factors in the shift in corporate attitudes towards sustainability, with the “post Enron & 9/11” climate fostering “heightened external expectations of accountability and transparency”. Thomas noted that since sustainability issues are “gaining traction”, multinational corporations face challenges in how to deal with multilateral agreements and emerging international standards and codes;

¹ A recent (2002/2003) study released by the Government of Canada in collaboration with the private sector

much of his talk focused on how to keep ahead of regulations. He broke down the key drivers of corporate sustainability by degree of impact, with “reputation and brand” at the head of the list, followed by improved shareholder value, attractiveness to employees, risk management, board influence, government relations, cost management/reduction, and finally, investor pressure and outside pressure groups (Thomas, 2004). Similarly, according to the Government of Canada’s 2003 report, “Capitalizing on Corporate Social Responsibility”, top drivers of CSER are reported as the following:

...managing risk to earn or to maintain a license to operate; enhanced corporate reputation and brand image; improved relations with shareholders and other investors; improved access to markets and customers; increased employee morale and productivity; (and) enhanced relations with communities and regulators.
(2003, 2)

Corporate and brand reputation, in other words, are the key drivers behind CSER for most corporations. The reason for this is relatively straightforward: these affect the very survival of the corporation. In addition to arguments concerning reputation, there exists a secondary profit-based business case for CSER, one that is more “positive” and one that played a crucial role at Globe 2004 . This is the contention that CSER is a driver of innovation and is technologically necessary in order to maintain competitiveness in the global economy, seen as a market-driven response to shifting consumer and citizen demands. In other words, CSER is part of the modernist trajectory of “progress”, a step, as Hawken, A. Lovins and L. Lovins argue, towards “the next industrial revolution” (1999).

The Conference Board of Canada’s June 2004 *The National Corporate Social*

which provides a synopsis of the drivers, implementation approaches, challenges and barriers faced by ten CSER-minded Canadian companies

Responsibility Report: Managing Risks, Leveraging Opportunities notes that there are three core factors behind CSER: it is the “right” thing to do, it represents part of a broader commitment to sustainable development, and it is driven by the threat of regulation and mandatory standards (Greenall, 11). This report frames the business case for CSER as a combination of risk management with potential business opportunities, and cites several drivers and dimensions of CSER: reputation and brand management, business risk management, employee recruitment, motivation and retention, access to capital, learning and innovation, cost savings and operational efficiency, competitiveness and market positioning, social license to operate, improved relations with regulators and organizational transformation and continual improvement (Greenall, 2004, 11-12).

The Globe Foundation series was set up in 1990 to promote social and environmental problem-solving as business opportunities, and its motto is “developing the business of the environment.” While risk management of brand reputation has been noted by many Globe “luminaries” as the key driver for CSER, the Globe series focuses mainly on another reason for adopting CSER: it is a business opportunity. As Gary Pfeiffer, Senior Vice President and CEO of DuPont has stated, “Every corporation is under intense pressure to create ever-increasing shareholder value. Enhancing environmental and social performance are enormous business opportunities to do just that” (Pfeiffer, quoted in GEMI, 2004). The Globe 2004 Trade Fair was the prime locus of this theme, as its function was to exhibit and market progressive, innovative environmental technologies and products.

The Trade Fair exhibitor package is tailored for a corporate audience, thus its language is less flowery: there is no discussion of intrinsic social and environmental

values, sustainability epiphanies, or need for a sea change in corporate responsibility. Rather, the package boasts, “Globe offers an unparalleled opportunity to access international markets”; “Over \$400 million in business was generated at Globe 2002”; “your target markets are delivered to you”; “Globe 2004 is the perform forum to announce new technologies and services and achieve a global profile...”; “form partnerships and strategic alliances, or attract investment capital”; and “Gain recognition as a provider of progressive solutions to important environmental and energy challenges.” (Globe, 2004a).

The Globe 2004 Trade Fair showcased over 400 corporations, government departments, and international institutions from North America, Europe and Asia, representing sectors such as alternate energy sources, air quality management, climate change, energy efficient vehicles, fuel cell technologies, and green building products and technologies. The range of technologies and products was diverse. The walk-in sustainable condo, complete with energy and water efficient fixtures and environmentally friendly materials, was an interesting and ambitious engineering vision of future building. Sustainable carpets, waste management and fossil fuel companies were less convincing examples. As David Suzuki has observed, sustainability is “... a concept that can be hard to define, and easy to exploit. The fossil fuel industry, for example, often talks about sustainability, but using fossil fuels is, by its very nature, unsustainable” (2004, v).

The Ford Rouge Project is one of the most paradoxical examples of the green technologies showcased at Globe 2004. This project was discussed at the April 2 “Sustainable Cities Networking Breakfast”, led by Gregory Chambers, Director of Sustainability Environmental Management, Arcadis, Roseville, CA. The automobile

plant at River Rouge is Ford's flagship, and the Ford Motor Co. has invested in a \$2 billion (US) makeover of the plant since 1999. William Clay Ford Jr., a corporate heir with an "environmentalist bent", hired the "green" architect William McDonough for the job in May 1999 (Wright, 2002). Included in this design was an organic roof covered with soil and planted in sedum to provide insulation and to filter precipitation; permeable surfaced parking areas and engineered swale to force runoff through plant-based filtration; and utilization of natural daylight and jumbo heating. Other "green" ideas were simply not feasible such as fabric rather than steel structures in workspaces; these could not handle the loads (Wright, 2002).

The parallel between the initial wave of mitigated capitalism spearheaded by Henry Ford, and this more recent move towards a new "green" form of mitigated capitalism is striking. The Ford web-site explicitly acknowledges this parallel:

When Henry Ford built the Rouge, he created a factory that dramatically improved workplace quality and pay... The once mighty Rouge has not been immune to the ravages of time. And today, people in every corner of the world are worried about natural resource depletion. But instead of abandoning the aging brownfield site, Ford is revitalizing the Rouge in ways that are good for business as well as the environment... The Rouge is not only being rebuilt, it's being reimagined as a model of sustainable manufacturing—a workplace that helps protect the environment for future generations while it inspires a new paradigm for economic growth. (Ford, 2004)

Implicit in this text is the fact that the ordinary course for Ford to follow, within the rules of capitalism, would have been to abandon "the aging brownfield site", dumping its waste upon society and the environment while moving on. This is something which has occurred time and again; when industrial companies start to lose money, they pack up and move on, leaving people out of work and communities built around them left behind. A poignant example of this phenomenon is described in Michael Moore's documentary

Roger and Me, in his account of the impact of the GM plant closure in Flint, Michigan. The very fact that Ford *attempted* to update the factory's technology to a higher environmental standard is heralded as pure CSER. While this \$2 billion makeover is a step towards a green-looking massive automobile plant, and arguably cuts down on energy and waste, Ford still produces and houses energy inefficient, air-polluting automobiles and SUVs (amongst the worst environmental culprits in the automobile industry) en masse in the "green" Ford Rouge.

Promoting the business of "progressive" sustainable products and technologies is not only a task for the private sector. In fact, the largest sponsor for the Globe 2004 event was the Government of Canada. One of the highlights of the conference was the development of the "hydrogen highway" in Vancouver British Columbia, spearheaded by the provincial Liberal BC government under Gordon Campbell, in time for the 2010 Olympics. On April 1, 2004, Prime Minister Paul Martin stated at the Globe conference that the Canadian federal government will contribute \$1.1 million (Canadian) toward the hydrogen highway project in addition to the \$125 million in funding for the commercialization of fuel cell and "other hydrogen-related technologies" announced in the 2004-2005 government budget (BNA, 2004c).

The business for sustainable technologies is a growing sector, although it remains relatively "niche", and highly political. A hypothetical green condo, hybrid cars, a "green" makeover of an automobile plant, a government-funding hydrogen highway designed to funnel people from the Vancouver airport to the Olympic Whistler destination: these are largely showcase items that represent a reality that does not exist. One company at the trade fair handed out pens made out of corn. Another had designed

crepe-paper-thin garbage bags made out of a type of plastic that had its cellular construction reduced in a large chemical factory, so as to speed up its biodegradable rate. Travis Engen, CEO and President of Alcan, described in his March 31 plenary speech how sustainability is a driver of innovation, and has led Alcan to become the world's largest recycler of aluminum cans, to foster agreements with auto companies to create lightweight vehicles, and to take advantage of the "cradle to cradle" rather than "cradle to grave" life cycle of aluminum, since recycling aluminum takes 1/20 the energy of extracting new aluminum. Engen received an aluminum duck after his speech for Alcan's sustainable business achievements.

One of the strange things about the business case for CSER is that the first profit-motivated argument—reputation and brand, survival of the corporation, is scarcely mentioned in the second profit-motivated argument—progress. Martin even suggests that the push to commercialize environmental technologies is akin to the space race of the Cold War era: "Today, I would suggest that we are in the same kind of space race, a race for a clean, sustainable environment" (Martin, qtd. In BNA, 2004c).

Profit is central to the business case. As RBC Financial Group representative Sandra Odendahl stated, there is only one bottom line: profit. CSER just feeds back into that bottom line. Alcan admits that its governing objective is profitability but states that "the three pillars of sustainability" are embedded in its management. This assertion is puzzling given the fact that Alcan produces a separate sustainability report from its regular annual report, and the annual report itself mentions nothing about sustainability. Suncor Energy, an Alberta-based company whose primary business is in the energy-intensive extractive industry around oil sands, notes in its 2003 Report on Sustainability,

“We recognize that sustainability is about earning stakeholder consent to operate and grow our business” (Suncor, 2003). Suncor highlights its triple commitment, to “people”, “prosperity” and “a shared environment”. Indeed, the “triple bottom line” of sustainability, a commitment to society, the economy and the environment, is a recurring motif in the discourse of CSER. For an honest corporation, profit is always the bottom line, the single most important factor. Nonetheless, for reasons of profit, ethics or a combination thereof, corporations have felt the need to respond to demands for social and environmental responsibility.

The Honourable Maurice Strong, a key figure in United Nations discussions on sustainability and the environment, was moderator at the Globe 2004 March 31 opening plenary. He spoke of sustainability as a global issue, and the importance of going past rhetoric and taking action. There was a theme of “walking the talk” throughout the conference sessions; of “embedding” corporate sustainability into the core foundations of management. This was one of the primary lessons reported in the March 31 “CEO Armchair Dialogue”, a friendly chat between CSER leaders and humble participants about how to embed new values into a corporation.

Ideological Dimensions

One of the pivotal texts which outlines the business case for CSER is the book *Natural Capitalism* (Hawken, A. Lovins and L. Lovins, 1999). *Natural Capitalism* posits ways of both promoting economic growth and preserving natural resources, and argues that there will be gains in efficiency through corporate adoption of environmental solutions (1999). Many corporations have based their corporate sustainability and CSER models upon the ideas in this book, and its predecessor *The Ecology of Commerce*

(Hawken, 1994). For example, Ray Anderson, CEO and Chairman of Interface Inc., described in the popular Canadian documentary *The Corporation* (2004) his “epiphany” of environmental awareness after reading *The Ecology of Commerce* (1994).

Natural Capitalism has two essential components. Firstly, it is a call to arms to adopt what the authors call “the next industrial revolution”, in which “natural capitalism”, or social and environmental inputs to the economy, are fully accounted for, and respectful solutions are forged. The second component constitutes the “evidence” of the book, and it is a long and interesting series of anecdotes of socially and environmentally friendly technologies, products and practices in various parts of the world. The book’s claim is that it surpasses ideology, that it provides a comfortable bridge between radical alternatives. It outlines the fallacies of *Blues* (free market neoliberal advocates), *Reds* (“sundry forms of socialism”), *Greens* (only concerned with ecosystems) for their narrow, closed and ideological views, and proposes a different way, a *synthesis*:

The *Whites* are the synthesists, and do not entirely oppose or agree with any of the three other views. With an optimistic view of humankind, they believe that process will win the day, that people who tell others what is right lead society astray... They (*Whites*) reject ideologies whether based on markets, class or nature, and trust that informed people can solve their own problems... Leadership in the White world is reminiscent of the Taoist reminder that good rulers make their subjects feel as if they succeeded by themselves. (1999, 312)

This is the central claim of *Natural Capitalism*. The argument is basically for a new form of “capitalism with a human face”, much like the early days of Fordism and the welfare state. The argument is for a market system (capitalism), with a focus on incorporating social and environmental problems into its very fabric. This sounds peculiarly like an ideology. The last phrase referring to the “White world” is oddly sinister. Who are the rulers and who are the subjects? Why should they be made to feel

as if they succeeded by themselves? How did they succeed? The authors' point is that natural capitalism, once it has been realized and harvested within society, will somehow solve the world's problems. However, the mixture of New Age, synthesis beyond ideology, and a bloodless revolution with duped subjects that will solve the world's problems is bizarre, and either naive or deliberately misleading. The authors contend at the closing of their book, in pure welfare state tradition: "Natural capitalism is not about fomenting social upheaval. On the contrary, that is the consequence that will surely arise if fundamental social and environmental problems are not responsibly addressed" (322).

The business case for CSER is presented in *Natural Capitalism* and CSER discourse in general as a rational median between two radical, opposed views, a happy marriage between different values in society. Despite such appearances, the business case for CSER is highly ideological. The dichotomy between staunch neoliberal anti-CSER corporate actors and radical anti-conciliatory left-wing groups is played upon, where a mitigated capitalist model is trumpeted as the only rational alternative. This is played out in *Natural Capitalism's* account of Reds, Blues and Greens, but also in other areas. For example, an article in the magazine *green@work*, provided to Globe 2004 participants as part of the conference package, sets out a "dilemma" between what the author terms "Smuggreenies" or "people (who) just know that corporation are evil, and that anyone who consorts with them is evil, too" and "the Skew", or "generalized myopia"... assumptions about what constitutes capital and business value (Frankel, 2004, 43). The article has a sassy and condescending tone:

It's the Skew the greens are railing against, and thank goodness someone's doing it. Yet lots of greens are Smuggreenies, and if they're the cavalry coming to our rescue, I'm inclined to decline the ride. Trust me on this, doc: when self-righteousness takes over, the end of the world is nigh.

In an equally ridiculous caricature of radical versus radical, of left versus right, a duo from Suncor Energy spoke at the March 31 panel “How Do You Communicate the Business Case?” and set up a dichotomy of “treehugger” versus “capitalist exploiter”. Gord Lambert, in charge of “sustainable development” at Suncor, jokingly referred to himself as a “treehugger”, “overhead” and “impediment to profit”. John Rogers, in charge of “investor relations” at Suncor, referred to himself as a “capitalist exploiter”, a “number cruncher” and an “accountant”. Both set out to dispel the notion that they are incompatible and mapped out a “vision” of sustainability. This was patently absurd, given that both work for the same company, and the “sustainability” portfolio at an oil sands extraction company scarcely has any claims to radical environmentalism. These three examples illustrate how exaggerated dichotomies are played upon to advance the business case for CSER, to paint other alternatives as “radical” and “ideological” and paint the business case as the only rational, neutral and non-ideological path.

The business case for CSER appeals not only to “common sense” rationality, but also to the religiosity imbibed in business culture, for example through the corporate appropriation of the epiphany. Perhaps the most notable example of the corporate epiphany is the case of Ray Anderson, as this has become, in essence, his “shtick”. He has repeated the tale of his epiphany not only in the film *The Corporation*, but also at several public events including the Globe “CEO Armchair Dialogue”, and his story has been cited in several articles in newspapers and magazines. However, there are other examples of the business epiphany with regard to CSER. At the Business Case for Sustainability Conference in Vancouver, Canada on November 17, 2003. Milton K. Wong described his transformation from an investment portfolio manager dismissive of

sustainability to an enlightened corporate citizen as a series of epiphanies; it began with the realization that all matter has the same DNA code, grew with the discovery that “matter is neither created nor destroyed”, and changed his way of understanding economics: “The truth is that the more you grow, the more you take from someone else... I don’t know if words can properly convey the way these personal epiphanies turned my existing value system on its head” (Wong, 2003). Darcy Hitchcock and Marsh Willard of AXIS Performace Advisors, a consulting firm that has been in business since 1990, hosted a think tank in 1995 on sustainability which led to their “epiphany”—they integrated sustainability into their business (AXIS, 2004).

Is Good Business Good Business?

The biggest assumption in the business case for CSER is that the statement “good business is good business” is true, not some of the time or most of the time, but all of the time. The business case does establish that corporate pursuit of voluntary social and environmental responsibility measures, whether big or small in scope, does and can have business payoffs. At the same time, one only needs to point to a single counterexample to prove that a statement is not true all of the time, and in this case, there are many such examples. The statement “good business is good business” will be false if ever the costs outweigh the benefits for such a strategy. This means that social and environmental responsibility can and will only go so far as to not impede on corporate profits, which is why corporations engaged in unsustainable practices will only go so far in their CSER platform, focusing on worker “health and safety” rather than minimum labour standards in developing countries, or on reducing emissions and reducing “ecological footprint” whilst engaging in oil sands extraction or heavy industrial mining. This limitation to

CSER will be addressed more fully in the next chapter, which analyses the discourse of CSER and its relationship to propaganda and public relations. However, for good business to be good business, this also means that CSER, if its aim is to mitigate risk and to legitimize capitalism, must “work” as it is intended, and not open the door to further public scrutiny. In other words, CSER can backfire.

At the Globe 2004 April 1 session entitled “Corporate Reporting: Trends in Transparency”, speakers addressed the fine balance between reporting transparently while avoiding risk or “value destruction”. For instance, several speakers at the Globe 2004 conference noted the 2003 California Supreme Court ruling against Nike (*Nike vs. Kasky, Inc.*, 1998), in which an environmental activist, Marc Kasky, accused Nike of making false statements about conditions in its Asian factories in letters and press releases (CorpWatch, 2004b). This case was perceived as a major setback in CSER for the corporate world.

Along similar lines, Denise Taschereau, Social and Environmental Responsibility Manager at Mountain Equipment Co-op (MEC) in Vancouver, Canada, argued in the April 1 afternoon Globe session entitled “The Highs and Lows of Implementing Sustainability: A Practitioner’s Perspective” that one of the biggest failures of MEC was its decision to engage in a “dialogue” with its members regarding MEC’s decision to adopt Nike products. The dialogue was scheduled *after* MEC had decided to adopt the product, to convince its members that MEC had made a wise and ethical decision. The result was a swell of protest, dissent and lack of understanding on the part of the members. According to Ms. Taschereau, the failure was not due to the fact that MEC decided to carry Nike shoes for, she noted, Nike has an outstanding record of corporate

social and environmental responsibility. Rather, the failure was in MEC's decision to have a dialogue at all.

Following the insights of Marx and Gramsci on ideology and hegemony respectively, this thesis contends that the logic of capitalism embedded in the business case for CSER is concerned with two primary goals: the economic goal of capital accumulation (profit), which is ultimately the bottom line; and the ideological containment (social and environmental responsibility) of crises and contradictions inherent to the accumulation process, such as super-exploitation and over-consumption of labour and resources. One of the ways in which the logic of capitalism has contained its crises has been through masking contradictions in production by endorsing the discourse of CSER. The way in which the business case for CSER is sold to fellow corporate actors, in the form of conferences, exhibits, reports, manuals and guides, differs fundamentally from the way in which the discourse of CSER is presented to "stakeholders" in the form of sustainability and CSR reports, "dialogues", and "partnerships", a topic that will be addressed in the next chapter. The primary function of the business case for CSER is to strategically connect CSER as a worthwhile and in fact imperative business venture in a rapidly globalizing world.

Capitalism by definition constantly expands to find new markets and natural and human resources. Although some ecological economists have argued that capitalism can in fact be "sustainable", such as Hawken, A. Lovins and L. Lovins, eco-sociologists such as John Bellamy Foster and Martin O'Connor argue that capitalism and environmental sustainability are fundamentally incompatible. According to Martin O'Connor, "For capitalism, sustainability is taken to mean sustained growth; technology is the vehicle of

an irreversible ascension; and accumulation is asserted to be a destiny for all individuals and nations who work hard at it” (1994, 1). For eco-socialists, unsustainable growth lies at the core of capitalism. Joel Kovel, author of the 2002 book *The Enemy of Nature: The End of Capitalism or the End of the World?* stated in an interview with Stan Cox that the reason capitalism is at the core of current ecological crises is because: “The basic rules of capitalism are private ownership and competition. In such an economy, a firm must continually expand its market share and/or increase its rate of profit. Otherwise, it will go extinct.” (qtd. in Cox, 2004)

Despite an increasing rhetoric of CSER, companies still gouge an enormous ecological and social “footprint”. Corporations engaged in extractive industries, such as oil, gas and mining, have developed a sophisticated CSER language which involves “minimizing environmental impact”, investing in green technologies such as hydrogen and wind energy, promoting “health and safety” workplace standards, and writing detailed sustainability reports (eg. Shell, BP Amoco, Alcan, DuPont). In the book *Producing Places*, Hudson draws upon the works of ecologists, economists, eco-socialists and regulation theorists, and argues that there are in fact two equally important means for capitalism to resecure the conditions for capital accumulation: “green” technological and policy innovations such as recycling, “green” consumer products and pollution prevention, and the relocation of production and waste to the developing world (2001). In this way, the “progressive” technologies and policies serve to mask contradictions at the level of capitalist production, in the form of waste, degradation and exploitation, both social and environmental.

The business case for CSER provides a powerful argument that CSER is

necessary to remain profitable and competitive in the global economy, due to both negative pressures (from stakeholders) and positive pressures (new products and technologies). The “values” argument is less persuasive; most corporations stress a commitment to social and environmental responsibility as part of the company’s ethics, integrity, and “payback”. An important theme in the case is that it doesn’t matter which is privileged, profit or ethics, so long as it is practiced. The Globe 2004 Trade Fair and Conference was a showcase of how CSER is both practicable and marketable. The underlying ideology of the business case suggests that capitalism is capable of regulating itself, and that any other alternatives are “radical” and irrational. According to Travis Engen, multinational corporations are better positioned as leaders in technology and progress than national governments to lead the way towards global sustainable development (BNA, 2004b). The implications of this “common sense” corporate adoption of CSER are dangerous, far more sinister and “ideological” than they appear. The business case for CSER forms the basis for the hegemonic fabric of social and environmental consensus and cooption.

Chapter 3: “Is CSER Just PR?”

CSR “may be a good deal more than just PR... It may be that it has become apparent to even the most narrowly focused laissez-faire capitalist that on critical social and environmental issues, the business community has to take a leadership role, if only to ensure a future for itself.” - Report on Business Magazine, March 2004, page 45.

On March 31, 2004, timed in conjunction with the Globe 2004 event, Canadian Business for Social Responsibility (CBSR) held a business meeting and posed the question “Is CSR Just PR?” to its members. This was framed as a response to the 2004 Canadian documentary *The Corporation* which alleges that CSR is nothing more than public relations. Speakers at the meeting included the movie’s producer Mark Akbar and Ray Anderson of Interface, who featured prominently in the film as an enlightened CEO and spoke earlier that day at the Globe 2004 “CEO Armchair Dialogue”, where he recounted his sustainability epiphany. The members of CBSR were concerned with the allegation waged by this film and wanted to examine its merits and to tackle the challenges of “embedding” CSER into corporate management systems. This chapter will examine tendencies and techniques in CSER discourse through a survey of CSER reporting and a comparative analysis of selected corporate actors. The concept of public relations as a management strategy will serve as a barometer for understanding how and to what extent the discourse of CSER coheres in a hegemonic fashion, and for tackling the question: “Is CSER Just PR?”

Unpacking the Discourse

The discourse of CSER as practiced by corporations takes many forms, mostly in public statements available through websites and publications, but also in company compliance codes, corporate credo documents, codes of conduct, compliance certificates, journal articles, fora, committees, conferences, and in many other ways. The function of

CSER as a discursive strategy is multifaceted. There is a straightforward propaganda aspect to the discourse, which is dubbed “issues management” by many corporations (Richter, 2001, 149). In addition, there is an effort to promote corporate self-regulation as a “common sense” practice and to prevent or at least to forestall the development of internationally binding regulations. Finally, there is an expressed ethical concern for the public interest, which may or may not be genuine, depending on the corporation. This chapter seeks to examine these aspects closely.

Gramsci’s concept of hegemony is insightful for this analysis of the discourse of CSER, and an extension of this concept into the field of language is important to highlight. As Peter Ives argues, there is in fact a significant connection between Gramsci’s concept of hegemony and Gramsci’s roots in Italian linguistics (2004). Through detailed research and comparative analysis with theorists of language,¹ Ives gleans from Gramsci’s sporadic, unfinished and eclectic writings on language in *The Prison Notebooks*, the notion that language and political economy are interrelated, not inimical. This is in contradistinction from two prevalent theories of language, which Ives describes in the following excerpt: “The trajectory that post-Marxists draw from economy to language presents a false opposition between the two; in the same vein, the work of Michel Foucault and the rise of ‘discourse analysis’ have distanced considerations of discourse—or language more generally—from Marxism” (2004, 5). For Gramsci, language “produces meaning historically; thus, changes in meaning are as important as a term’s origins, if not more important. More telling than a concept’s origins are its vicissitudes. These are ultimately questions of political theory and political strategy” (Ives, 2004, 18). Gramsci’s understanding of language as dialectically linked

¹ Such as the Bakhtin Circle and the Frankfurt School

to political economy rather than autonomous and self-referential, as some post-modernist discourse analysts understand it.

In order to investigate whether CSER is “just PR”, definitions of public relations and propaganda in general are warranted. Randal Marlin provides a useful definition of propaganda as “the organized attempt through communication to affect belief or action or inculcate attitudes in a large audience in ways that circumvent or suppress an individual’s adequately informed, rational reflective judgment” (2002, 22). Regarding the ethics of public relations, Marlin notes a paradox that lies at the crux of the discourse of CSER: “The paradox for public relations is that in so many situations the most beneficial image an institution has is one of maximal concern for the public interest, yet the greatest need for public relations comes when the interests of the institution and those of the public diverge” (186). Ivy Lee (1877-1934) was one of the first practitioners of public relations. He emphasized that companies could benefit from taking public relations advice into account early in the planning process, rather than after the fact, and advocated conciliation and cooperation rather than antagonism and competition as PR strategies (189-190).² The CSER strategies of keeping ahead of regulation and advocating a “partnership” modus operandi, it would seem, are not new tricks at all.

Judith Richter notes six important corporate public relations strategies in the discourse of CSER: 1) intelligence gathering of public opinion on CSER issues to be used as a kind of “global issue alert system”, 2), suppression of public issues, for instance using secrecy and censorship to keep environmental or social issues off the public agenda; 3) fostering a good image, often through image transfer, or using partnership

²For example, following Ivy Lee’s advice, in the 1920s John D. Rockefeller Jr. funded the church of Harry Fosdick \$26 million and helped advance the corporate interests of oil.

with another organization of good reputation as a means of attaining a good image; 4) manipulating public debate through delaying, de-politicizing, diverting and fudging through issues; 5) excluding divergent voices; and 6) engaging in “dialogues”, “partnerships” or “sponsorships” in order to splinter or coopt groups in opposition (Richter 146-59). Indeed, PR managers have long known that true CSER is a contradiction in terms:

Some corporate executives seem to think that their corporate philanthropy is an act of benevolent charity. It is not. An act of charity refines and elevates the soul of the giver—but corporations have no souls to be saved or damned... [W]hen you give away shareholders’ money, your philanthropy must serve the longer-term interests of the corporation. Corporate philanthropy should not be, cannot be, disinterested (Kristol, 1977, qtd. in Richter, 2001, 153).

This chapter will examine trends in CSER reporting, some of the public relations techniques and strategies employed in such reporting, as well as ways in which CSER claims to transcend ordinary public relations. The question “Is CSER just PR?”, after all, does not dispute the fact that public relations is a part of CSER, but rather asks whether CSER goes beyond it.

Trends in CSER Reporting

CSER reporting is the primary indicator of the breadth and character of the discourse of CSER. Companies choose to issue reports, whether integrated into their annual reports, as separate reports, as issue-specific reports, or through website sections devoted to CSER. This is the way in which companies demonstrate to the public their “platform” of CSER. This section will map trends in reporting through highlighting important details of recently released reports which attempt to canvas the spectrum of CSER reporting, particularly in Canada but also with international comparisons.

The report *Building Confidence: Corporate Sustainability Reporting in Canada* (2003) provides an assessment of corporate sustainability reporting in Canada. This report is part of an ongoing sustainability reporting benchmarking program published by Stratos Inc. and sponsored by the Government of Canada as well as several reporting corporations. The aim is to stimulate an increase in both the quantity and quality of corporate sustainability reporting in Canada. The program was launched in 2001 with the publication of *Stepping Forward*, allegedly the first comprehensive report on corporate sustainability reporting in Canada. These reports do not assess performance but rather reporting practices (Stratos, 2003). Stratos Inc. and the Government of Canada also launched a *Sustainability Reporting Toolkit* in November 2003, a web-based tool which outlines how to report, key steps and important considerations in reporting, and whether there is “business value” in reporting. The principles and tools behind these reports were discussed in the Globe 2004 April 1 session “Corporate Reporting: Trends in Transparency” by George Green, President of Stratos.

Building Confidence identifies 100 companies that published sustainability reports for 2001 or 2002, an increase from the 57 reporting in 2000. The report also notes that 60% of the companies on the TSX Composite Index (220 companies) reported some kind of sustainability performance information, and 22% published sustainability or integrated annual reports for 2001 or 2002. By comparison, only 10% of the TSE 300 produced such reports for the 2000 reporting year. The top 11 reporting companies for 2001 and 2002 were Suncor, VanCity, Hydro-Quebec, Petro-Canada, Enbridge, Weyerhaeuser, PotashCorp, Dofasco, Syncrude, BC Hydro and OPG.

The main reporting sectors amongst the companies included financial services, mining, forestry and utilities, with some increase in other sectors such as food, tobacco and agriculture. Few manufacturing companies reported given the size of this sector in the Canadian economy. The report breaks down reporting issues into six types: social (including community); environment and social; sustainability; annual (integrated); environment; and health and safety. In the 2001 report, sustainability and environment topped the list, constituting half of all reporting, with social at the lowest percentage, while in the 2003 report, the reporting was more evenly spread between issues. However, as George Greene emphasized in his talk, social performance as compared to environmental performance is difficult to measure, and there is room for improvement, particularly in the areas of employee relations, human rights and business ethics.

According to the report, Canada has a middle CSER ranking internationally, but it shows a trend of growth. Japan, the United Kingdom, the United States, and the Netherlands ranked higher than Canada in terms of percentage of the top 100 companies (by revenue) preparing sustainability reports.³ Greene was less optimistic in his account of Canada's international ranking, noting that European reporters are by far the leaders, while Canada lags behind.

The Conference Board of Canada launched a similar type of study with the publication of its new annual report entitled *The National Corporate Social Responsibility Report* (Greenall, 2004), which covers trends and practices in CSER in Canada and to some extent, internationally. The report presents an analysis of the self-assessed CSER practices of a sample of 53 large Canadian corporations, reviews the

³ Sources of data: University of Amsterdam and KPMG. *KPMG International Survey of Sustainability Reporting 2002*; and *KPMG Survey of Environmental Reporting 1999*. The Netherlands: KPMG.

public reporting practices of 300 of the largest Canadian corporations (identified by the Financial Post), and includes information from interviews with 24 stakeholders. Key findings of the report are that CSER will continue to be a key business issue due to operational risks and stakeholder demands; CSER is being formally integrated into business conduct, particularly by corporations with highly political or regulated environments such as mining, energy, forestry, utilities, chemicals and banking; two-thirds of the 53 companies issue CSR reports, while two-thirds of the top 300 companies do not; and new pressures will redefine the relationship between Canada's largest corporations and society (Greenall, 2004, i- ii). The incidence of reporting in this report represents an increase from the 2003 *Building Confidence* report data.

The National Corporate Social Responsibility Report provides detailed profiles of the social and environmental issues facing the banking, forestry, biotechnology/ pharmaceutical, and information and communications technology industries, as well as profiles of a number of corporations. According to the report, there are two main difficulties in assessing CSER performance; firstly, CSER "process" is not linked to practice or outcomes; and secondly, no standardized form of reporting exists, as metrics and benchmarking are often not comparable from one company to the next (8). The theory-practice gap is noted as a significant "area for improvement" in CSER: "Linking practices to performance is the exception rather than the rule. The level of public reporting by the Top 300 corporations is low" (2004, 40). Another area for improvement in CSER as a whole is in the area of human rights. Despite being the area of performance that most corporate stakeholders are interested in, human rights commitments and practices are reported on by few corporations. Indeed, the report observes, "Given the

importance stakeholders place on how corporations manage the human rights dimension of their activity, the level of attention paid by some of Canada's largest corporations to this area of performance raises important questions about their exposure to human rights risk" (Greenall, 2004, 32).

The report also addresses the threat of binding international regulation and the skeptical positions of many NGOs and stakeholders regarding the capacity for industries to self-regulate. Under the heading "Business Risk: Regulatory Intervention", the report underlines the fact that "there is increased traction in some spheres for the adoption of binding international standards governing corporate human rights performance" (34). Examples of this move include recent discussions concerning the UN Norms on the Responsibilities of Transnational Corporations and other Business Enterprises with Regard to Human Rights, and the fact that in 2003, Amnesty International Canada called upon the Government of Canada to recognize the ineffectiveness of voluntary corporate regulation.

Given the risks of *not* bowing to global pressures for CSER, and the opportunities to be gained through adoption of CSER, the conclusion of the report is that "corporations must pay heed to social responsibility" (40). The report firmly admits that: "No amount of public relations can earn a company its social license to operate. It must be earned through consistently strong stakeholder relations and reputation-building, which, in turn, is largely based on past performance" (27). This statement is particularly interesting, given the fact that establishing "stakeholder relations", through dialogues, partnerships, public reporting, and similar measures, and "reputation-building", through CSER

strategies which foster a good image, are, at least according to Richter and Marlin's definitions, PR.

The most comprehensive list of exemplary CSER corporations included in the report were the 13 corporations listed on the Dow Jones Sustainability Index as of November 2003: Alcan, CIBC, Cognos, Dofasco, Domtar, Nexen, RBC Financial Group, Shell, Suncor, TELUS, Terasen, TransAlta and TransCanada Corp (21). Other organizations have provided similar lists and analyses of corporations active in CSER or sustainability. The study *Capitalizing on Corporate Social Responsibility* released by the Government of Canada in collaboration with the private sector showcases a top ten of CSER-minded Canadian companies: Canadian Pacific (CP) Railway, DuPont Canada, Home Depot, Husky Injection Molding, Nutreco Canada, Syncrude, Tesk Cominco, Telus, VanCity, and Weyerhaeuser (Government of Canada, 2003). In an information supplement on corporate social responsibility in the *Globe and Mail* in September 2003, the top Canadian players in CSER were reported as the following: Alcan, BC Hydro, Bell Canada, DuPont, Enbridge, Nexen, Scotia Bank, Shell Canada, Suncor and VanCity. Three foreign companies with major operations in Canada also received good mention: Norske, IKEA and Hewlett Packard.

Although the reports discussed so far originated in Canada, similar types of reports have been issued in Europe, Asia and the United States, amongst other industrialized countries. For example, in the United States, a document entitled *The Blended Value Map* (Emerson, 2003) was recently published which outlines what it terms the five "silos" of corporate values: corporate social responsibility, social enterprise, social investing, strategic/effective philanthropy, and sustainable development, and the

intersections between these related areas. The report observes the growth of CSER within the past decade, and reports, like others, that “While CSR appears to be becoming more mainstream, adoption of CSR by corporations has not been uniform.... Adoption of CSR has been driven both by the carrot and the stick, with some corporations, such as DuPont, acting proactively to make sustainable growth a core component of their business strategy, while other corporations have simply responded reactively to pressure from NGOs, shareholders and consumers.” (2003, 29). The report distinguished between “CSR-lite” and “deep-CSR” companies, observing that the more proactive or “deep-CSR” corporations tend to view CSER as a source of innovation and competitive advantage (30). The same observation can be made of the Globe 2004 conference. The report also notes that most CSER resources and initiatives are focused on large and transnational firms (33).

Drawing from these different reports, a number of conclusions can be drawn. There are a wide range of CSER approaches to reporting, ranging from the topical to the more deeply embedded. This has to do with the fact that reporting is voluntary, and while there are a number of metrics and benchmarking strategies that have been developed, there is no universal standard to which corporations can be held accountable. As a result, there is a greater emphasis on process than on practice, as the Conference Board’s report clearly states. The most actively engaged CSER proponents tend to cluster in particular industries: “Companies that report tend to be those that face the most significant external pressures” (Greenall, 2004, 7).

Industries that operate in politically intense or highly regulated environments, in which their “social license to operate” is subject to public scrutiny, tend to report the

most. This applies to industry sectors such as forestry, mining, banking, energy, chemicals and utilities, as well as transnational corporations, particularly those with off-shore operations or supply lines in developing countries. Not only do these corporations tend to report the most, but they are also the reported leaders in the field. The “top corporations” lists of various reports have in common several of the same companies, although their lists are not identical. The leaders in these lists come chiefly from the above-mentioned industry sectors. Out of the 29 top companies, drawn from the collective lists of the above-mentioned reports and sources, 9 are in the energy industry, 5 are in utilities (3 of which are energy utilities), 4 are in banking, 4 are in biotechnology or chemicals, 2 are in forestry, 2 are in transport, and 1 in each of mining, communications and manufacturing. This demonstrates that by far the most reporting comes from the energy sector. The disproportionate weighting of CSER exemplars and practitioners within large corporations which are under great external pressure, whether from the public or from regulators, brings to mind Marlin’s observation that the greatest need for public relations comes when the interests of the institution and those of the public diverge.

Public Relations Techniques

This section will examine more closely the discourse of CSER as employed by a selection of corporate actors drawn from the Globe 2004 conference and from prevalent transnational corporations, chosen to represent a cross-section of the industries which commonly report on CSER. Two related public relations techniques employed in the discourse of CSER will be examined in some detail—the techniques of ambiguity and selectivity. Both are employed for different ends; for instance, to deflect attention away

from particular issues, to shift blame for a given deed of corporate irresponsibility away from the corporation towards another actor (government, corporation, or citizen group), or to improve brand or reputation through (appearance of) authentic and “embedded” CSER engagement.

1. Ambiguity

Different groups understand and interpret commitments to the social, environmental and economic in very different ways; there is no single agreed upon definition of what constitutes “responsibility”, “sustainability” or “good governance” in these areas. Marlin describes the public relations technique of avoiding criticism through use of language in the following statement:

One way of violating these norms (Habermas’ four rules of communications, involving accountability to norms of meaningfulness, truthfulness, sincerity and appropriateness) is to insulate oneself from criticism by developing an impermeable, self-contained language system that defeats attempts to communicate with a general audience. You either have to swallow the ideology whole, or you ignore piecemeal attempts to criticize the system because the terms of criticism do not mesh with its ideologically loaded terms. (Marlin, 2002, 163)

This technique is in essence a tautological argument—a circular argument with no real meaning, for the terms of reference operate within an ideological set of assumption. The rather fitting example which Marlin gives is that of an economist’s language: “with its tacit translation of words like ‘better’ or ‘beneficial’ into ‘richer’ or ‘greater prosperity’... (the economists’ language) makes it difficult to figure in such things as cultural identity, integrity, social conscience, equality, etc.” (163). Indeed, the ideological parameters of CSER, as described in Chapter 2, fit tightly within the operating system of global capitalism and voluntary corporate self-regulation.

The ambiguous ways in which terms are defined and employed to fit into a given

ideological frame of reference is an important evasive technique in discourse. For example, many groups advocate “sustainability” yet differ in their definition of the term. Sustainability is a fuzzy term, brought into wide usage after the Rio Earth Summit in 1992 to stand not only for renewable resource use but more broadly for: “meet(ing) the needs of the present without compromising the ability of future generations to meet their own needs” (Brundtland Commission, 1987). The literal definition of sustainable is “capable of being sustained”, or kept alive, continued, supported. The coupling of “corporate” with “sustainability” literally connotes the prolonged survival of the corporation, and by extension, the capitalist system as a whole. The environmental implications of the term “sustainability” work as value added, to use economic language, to the literal definition. The literal definition of corporate sustainability– the sustenance of the corporation– is at the heart of the discourse of CSER.

Most corporations borrow directly from the Brundtland definition of sustainable development but tweak the definition to refer to economic development with “minimal” social and environmental damage. This is evident in BP Amoco’s statement: “For us, sustainability means the capacity to endure as a group by renewing assets, creating and delivering products and services that meet the evolving needs of society, attracting successful generations of employees, contributing to a flourishing environment, and maintaining the trust and support of customers, shareholders and communities” (BP Amoco, 2004). Alcan privileges the increase of “social and economic benefits”, while committing only to the decrease of environmental damage, in its partial definition of sustainability as: “...increasing the social and economic benefits and reducing the environmental impacts of our activities over the short and long term, and becoming a

more profitable and competitive organization” (Alcan, 2004).

The “minimal environmental impact while pursuing profitable resource extraction” definition of corporate sustainability prevails for most leading CSER players, and variations upon this theme can be found in the statements of Suncor, DuPont, Dofasco, Shell, Syncrude and a number of other companies. However, some corporations aspire to even weaker notions of corporate sustainability. For example, Richard Gulmont, a representative of Motorola, spoke on April 1 in the session “Sophistication of Stakeholder Relations”, of Motorola’s corporate sustainability strategy: it was presented as a straightforward response to stakeholder demands regarding human rights and the environment, and its main aim is simply to assure compliance with the law and to assure protection of brand. At the same time, this was couched by Gulmont with the proviso that “companies are not substitutes for responsible governments”, a relic of the hands-off, laissez-faire ideology which preceded and eventually spawned the new creature of CSER.

By contrast, the United Nations Commission on Sustainable Development is committed to deeper goals than “minimizing environmental impact”, such as radically changing unsustainable patterns of consumption and production and eradicating poverty (UNDESA, 2004). Skeptics question the compatibility of capitalism and sustainability, evident in the following statement: “For capitalism, sustainability is taken to mean sustained growth; technology is the vehicle of an irreversible ascension; and accumulation is asserted to be a destiny for all individuals and nations who work hard at it.” (M. O’Connor, 1994a, 1) In the article “Is Sustainable Capitalism Possible?”, James O’Connor highlights the ambiguity of the term “sustainability”, explores the very

different concepts of sustainability used by greens and corporations, and posits that competing discourses of sustainability are ideological and political rather than ecological and economic. He explores contradictions between capitalism on the one hand and ecological sustainability on the other hand and casts serious doubt on prospects for sustainable capitalism (1994, 152-55).

Sustainability is only one of many examples of the fuzzy and ambiguous language of CSER; others include words such as “citizenship”, “governance” and “partnership”. The vagueness of this language allows different groups to advocate the same term yet differ fundamentally in their actual idea of its implementation and implications. Martin O’Connor argues that this works to perpetuate the capitalist system, for “...environmental crisis has given capitalism a new lease on life. Now through purporting to take a hand in saving the environment, capitalism invents a new legitimation for itself: the sustainable, rational use of nature.” (1994b, 125-26).

At the same time, the ecology of the planet is undermined by the continued exploitation of resources, the waste of rampant consumerism, and widespread environmental destruction wreaked under the proviso of “sustainability”. For example, Suncor Energy, a company which is involved in the highly energy inefficient business of oil extraction from oil sands in Alberta, Canada, was present at the the Globe 2004 conference. Suncor Energy Vice Presidents John Rogers and Gord Lambert spoke at a March 31 morning session entitled “How Do You Communicate the Business Case?” and stated that while the scope of Suncor’s operations makes it a challenge to be environmental, their “vision is to be a unique and sustainable energy company”. Rick George, President and CEO of Suncor, also spoke at the April 1 plenary on “Energy and

Climate Change” and explained that the company’s mission is not to get rid of traditional fuels, but rather to develop a vision of sustainable energy. This idea makes little sense when in the same speech, he noted that the site of oil extraction, the Athabasca oil sands, is second only to Saudia Arabia in its extractive potential, at ¼ million barrels per day. At the March 31 opening “Sustainability Plenary”, CEO and President of Alcan Canada Travis Engen promoted Alcan’s world-scale production of aluminum as sustainable because aluminum is “highly recyclable” despite an energy-intensive initial extraction. If energy-inefficient and environmentally damaging extractive industries can latch onto the “sustainability” wave, perhaps the term needs to be re-examined.

2. Selectivity

Aside from the gap between theory and practice in CSER, a subject that is for the most part beyond the scope of this thesis, selectivity is perhaps the most significant public relations technique employed within the discourse of CSER. Selectivity of what issues to report on, what issues to ignore, what issues to report partially upon, what issues to suppress (or to delay, depoliticize, divert and fudge, as Richter puts it), what stakeholder groups to engage in “dialogues” and “partnerships” with, and how to report, are fundamental ways in which to shape the discourse. Of course, the nature of any disclosure of information is selective; the question is how selective and how deceptive the disclosure is. When undetected, deception through selectivity functions well for CSER leaders. When exposed, corporations can be accused, as in *The Corporation* and in the case of Nike-versus-Kasky, of engaging in misleading public relations strategies that work against the public interest.

Given the risks of deceptive reporting, it is a gamble for any corporation which undertakes to report upon CSER. However, the risks of not reporting, many corporate advocates have underlined, are greater than the risks of reporting. For example, on February 6, 2001, amendments to the *Canada Business Corporations Act* made it possible for shareholders to file resolutions “primarily for the purpose of promoting general economic, political, racial, religious, social or similar causes” (Canada Business Corporations Act, qtd. in Greenall, 2004, 21). Corporate reporters face challenges in terms of risk in how to report, and the fact that reporting remains voluntary, with no universal standards and only an array of divergent reporting strategies to adhere to or forge anew.

Overall, corporations, even the leaders in the field, are highly selective in their reporting. The Conference Board of Canada’s *The National Corporate Social Responsibility Report* revealed through a public review of the top 300 corporations, including reports, websites and continuous disclosure documents, that no company reports publicly on more than 60% of selected indicators (60) within five dimensions of CSER: governance and management practices; human resources management; community investment and involvement; environment, healthy and safety, and human rights⁴ (Greenall, 2004, 8). Moreover, the average corporation reports on only 12% of indicators, and 50% of the 300 companies report on less than 7% of indicators.

⁴The report chose indicators based upon a synthesis of national and global CSER reports and initiatives, including: the *Corporate Social and Sustainability Research Quality Standard*, a pilot technical document development by European CSER assessment and rating agencies; the *Corporate Responsibility Assessment Tool* framework; the Global Reporting Initiative’s *Sustainability Reporting Guidelines*, Stratos Inc.’s report *Building Confidence* (2003), U.K. Law Review documents and submissions concerning “materiality”, and PricewaterhouseCoopers and KPMG annual global surveys of corporate sustainability, corporate ethics and human capital (Greenall, 2004, ii).

The Conference Board's report also highlights a gap between the social and environmental reporting practices of corporations. Of the 53 companies which responded to the survey, 70% of boards reported that they consider social issues, while 76% reported that they consider environmental issues. 57% of the companies reported taking social measures, while 79% reported taking environmental measures (Greenall, 2004, 32). There is also a gap between social and environmental publicly reported information within the top 300 companies: ~35% of boards considered social issues, while ~55% of boards considered environmental issues; and ~25% reported taking social measures, while ~43% reported taking environmental measures. Finally, 49% of the surveyed corporations issue "Management Discussion and Analysis documents" that discuss environmental risks, while only 26% discuss social risks (20).

The gap suggests that most corporations prioritize environmental over social concerns. There are a number of possible reasons for this gap. The burgeoning discourse surrounding sustainability may have something to do with it, for sustainability, while described by many as a commitment to the "triple bottom line" still retains much of its original ecological meaning. Probable public relations reasons for the gap are: because the external pressures (regulations, stakeholder demands) are higher, because corporations want to deflect attention away from more contentious and less-easily adhered to social commitments, or because environmental concerns are easier to commit to under ambiguous umbrella terms with only tenuous links to actual practice such as "sustainability". Other reasons could relate more to ethics, cost-effectiveness or feasibility. The purpose of this thesis is not to judge or speculate on the intentions of corporations beyond their stated claims, but it is clear from this research that the gap

between social and environmental commitments indicates that there is a stronger “business case for CSER” to be made on the environmental side, whatever the particular factors behind the business case may be.

Each industry sector faces unique pressures which influence the type of issues which corporations must address. The biotechnology sector, for example, faces concrete social and environmental issues such as animal testing, “bio-piracy” or theft and sale of indigenous communities’ traditional environmental knowledge, challenges against intellectual property rights and patent protection laws which made medicine unaffordable (particularly in developing countries), the ethics of drug marketing and the ethics of genetically modified foods (Greenall, 14). The banking sector faces external regulatory pressures in Canada, notably the fact that Annual Public Accountability Statements are now mandatory for financial institutions with assets over \$1 billion, and pressure to adhere to the “Equator Principles”, a voluntary set of guidelines for managing CSER issues in project financing (Greenall, 13). The specificities of the challenges facing different industry sectors significantly shapes the range of issues that institutions engage with, which ones to ignore or to highlight.

At the Globe 2004 session entitled “Financial Institutions and Sustainability: What’s the Link? Do They Care?”, representatives from CIBC, Export Development Canada, VanCity Capital Corp and RBC Financial Group discussed the impact of sustainability issues on financial institutions. RBC and CIBC spoke of their commitment to the “Equator Principles” (they represent two out of the three Canadian banks to have publicly committed to the “Equator Principles”: the third is HSBC Canada). Each speaker discussed the importance of environmental risk assessment and liabilities, as

responsible investing is one of the key issues for financial institutions, in addition to the usual roster of CSER-speak: creating long-term shareholder value and adherence to the three pillars of corporate sustainability.

Part of the reason behind such selectivity lies in the fact that while most corporations share overarching CSER concepts such as “sustainable development”, “corporate citizenship” and “corporate social responsibility”, individual corporations often have “branded” particular approaches to the issue. The theme of “giving back” to society and the environment, through fostering employee volunteerism—a neat trick in which companies encourage employees to volunteer as individuals in socially or environmentally responsible activities, as part of company loyalty and “community” but at no cost to the corporation, as well as through philanthropic efforts, runs throughout the CSER discourse of most corporations. However, the particular areas of focus for these efforts are selected to fit with the brand, goals and market of each corporation. For instance, CocaCola sponsors education and sports, due to the corporation’s interests in monopolizing the market in educational institutions (including K-12 age schools as well as universities and colleges), fostering brand loyalty from an early age, and promoting the association with health, education, “coolness”, diversity and youth.⁵

One of the TNC headliners at the Globe 2004 conference, Alcan, emphasizes a unique style of “embedded” CSER practices. In addition to producing an Annual Report of operations, Alcan produces a sustainability report, an issue-specific sustainability report (the report for 2003 was on water). In 2004, in association with the International Business Leaders Forums, Alcan created the US\$1-million “Alcan Prize for

⁵This allegation is far from novel; for a closer look at how corporations create brand associations with everything from youth and education to “coolness” and “diversity” and identity politics, read Naomi Klein, *No Logo: Taking Aim at the Brand Bullies*, (Toronto: Vintage Canada, 2000).

Sustainability”, to be awarded annually to a not-for-profit civil society or non-governmental organization that contributes substantially to sustainability.

For most companies today, CSR is essentially an over-arching code of conduct ... it refers to both what we do and how we do it. It encompasses such elements of corporate life as governance and ethics, workplace health and safety, and the management of relationships with stakeholders inside and outside the organization... At Alcan, our definition of Corporate Social Responsibility also includes the broader concept of economic, environmental, and social sustainability. But, most importantly, it is not an overlay or another set of requirements. At Alcan, what most refer to as CSR is a fundamental part of an integrated set of principles applied to the management of our business. (Engen, 2004).

Shell, a TNC that was also present at the Globe proceedings, highlights its recent commitment to human rights in the “core values” section of its web-site. “Our core values of honesty, integrity and respect for people define how we work. These values have been embodied for more than 25 years in our Business Principles, which since 1997, have included a commitment to support human rights and to contribute to sustainable development.” (Shell, 2004a). This is Shell’s response to the pressures of international human rights organizations in the aftermath of its controversial involvement in Nigeria. Shell also devotes a section of its web-site to clarifying the historical circumstances surrounding its behaviour in Nigeria, where it portrays itself as a victim of the difficult circumstances entailed in operating in a country without “standards” of human rights, thus shifting moral responsibility to the “corrupt” government of Nigeria while aligning itself with the cause of human rights (Shell, 2004b).

Although transnational corporations were not highly represented at the Globe 2004 Conference, and those TNCs that were present have significant operations in Canada, the strategies and visions of TNCs were frequently discussed throughout the

conference. The common strategies of transnational corporations were represented in the April 1 session entitled “Sophistication of Stakeholder Relations”. Eric Olson, Vice President of *The Natural Step* in San Francisco, described how this company provides a framework for corporate adoption of CSER. McDonalds, Starbucks, Home Depot and Nike are all clients of *The Natural Step*, which offers “new approaches to stakeholder engagement” with a complex four-tier system of stakeholder engagement, including “input”, “dialogue”, “partnership”, and ultimately, “alignment and action”.

The Natural Step is an international organization devoted to sustainability issues which was founded in Sweden in 1989. In February 1995, it was brought to the United States, with Paul Hawken, author of *Ecology of Commerce* and *Natural Capitalism*, as chair. Since 1998, *The Natural Step* has been promoting a “Walk the Talk” (WWT) program, which explains the frequent use of this metaphor in CSER circles and conferences (The Natural Step, 2004). This organization advances principles of sustainability culled from “scientific research” and works with a host of clients and “partners” to develop sustainable strategies and innovations. According to Mats Lederheusen, President, Business Development Group, McDonald’s Corporation: “The Natural Step has some unique characteristics: It’s based on science. It’s also based on collaboration and cooperation. I have found in my career that many NGO’s are more committed to making a point, maybe pontificating, than making a difference. This is not the case with The Natural Step.” (qtd. in The Natural Step, 2004)

McDonald’s prides itself in its long-standing tradition of CSER, as compared to the newly adapted versions of CSER advocated by competing TNCs. McDonald’s promotes itself as a leader in the “philosophy of doing good”, and equates this philosophy

with the very “heart and soul” of the corporation:

... McDonald's commitment to social responsibility is an important part of our heritage and has become increasingly more important as our business has grown to span 119 countries. More than ever, we are focussed on and committed to doing the right thing for the local communities in which we operate and for the customers we serve... Before there was even a name for "social responsibility," McDonald's was setting the standard, and we've been a leader ever since (McDonald's, 2004).

McDonald's has responded to recent criticisms about the health of its meals through the introduction of a line of salads, Atkins-friendly meals, and the abolition of the “supersize”, which it denies was a response to the 2004 film *Supersize Me*, a Michael Moore-esque documentary waged against the McDonald's as emblematic of the fast food industry.

Starbucks, one of the sponsors of Globe 2004, was also a frequent stop for conference participants given its situation in the lobby of the conference location, Canada Place.⁶ Starbucks actively engages in the CSER debate through espousing a particular vision of “contribution” to communities and environment, realized by giving “back” to these sources of profit in specific but limited ways, for instance through donations, or through the support of more “equitable” coffee practices in certain areas: “Giving back to our communities is the way we do business. Contributing positively to our communities and environment is so important to Starbucks it is listed as a guiding principle of the company's mission” (Starbucks, 2004a). Starbucks' 3rd Annual (2003) *Corporate Social Responsibility Annual Report* breaks down the companies' CSER commitments into six categories: respect and dignity for “partners” (the euphemism for regular low-paid employees), embracing diversity, sustaining coffee communities, satisfied customers,

⁶During the April 2, 2004 Globe 2004 session entitled “International Environmental Regulatory management: Operational Challenges in a Global Market”, all 4 panelists brought paper coffee cups, 3 out of 4 of which were Starbucks.

contributing to communities and environment, and ensuring profitability (Starbucks, 2004b). The report notes that Starbucks has been listed among *Fortune*'s "100 Best Companies to Work For" and "Ten Most Admired Companies in America" in 2003, and received several awards for its CSER contributions, such as the Columbian Order of the Grand Cross Medal, awarded by the State of Nariño for "the tremendous economic and social impact we've (Starbucks) had on this local area" and the Washington Chapter of the Association of Fundraising Professionals' 2003 *Outstanding Philanthropic Corporation* award.

Home Depot highlights its commitment to environmental responsibility, community development and partnerships, with particular emphasis on what it terms "sweat equity", or employee volunteer hours towards community service projects, and philanthropic donations to non-profit organizations (Home Depot, 2004). The company focuses a great deal on its own employees as conduits of company values, and it even has a term for this, named for the colour of the company's store: "orange culture":

I've said many times over the past year that you can buy technology, but you can't buy culture. I have learned this while working alongside our associates building playgrounds and homes for families and communities in need. Making a difference in our communities, promoting environmental initiatives for a healthier planet, training and leading our people and working toward greater shareholder value help us remain true to our Orange culture. (Home Depot, 2002)

One of the most contentious issues that Home Depot has faced has been its use of old-growth forest products. In December 1998, when twenty Fortune 500 companies agreed to phase out their use of old-growth products, Home Depot, the "world's largest retailer of ancient forest products", refused to sign on, which sparked a number of protests at Home Depot outlets across North America and caused Home Depot to revise its position, announcing in August 1999 that it would phase out old-growth wood

products by 2002 (Klein, 2000). Buried in the myriad of factoids and blurbs in the “environmental responsibility” section of its 2004 website, Home Depot states that it has worked towards the goal of phasing out old-growth wood products by 2002 but that due to the fuzzy definition of what qualifies as “endangered forests”, it has faced challenges. Home Depot boasts of its accomplishments in working toward such a difficult goal, for less than .15% of its wood now comes from rainforests, and in such endangered areas, it has “partnered with environmental groups, governments and industry to educate and motivate the local communities to promote sustainable timber harvest” (Home Depot, 2004). This shifts the onus from the company to its “partners”, and changes the stated commitment from a clear goal towards the phasing out of a product, to an unspecific goal of minimizing use. The fact that Home Depot still clings to the profits it can make through the harvesting of endangered rainforest wood, however “reduced”, is indicative of its commitment to only one bottom line.

Nike presents its CSER platform in relatively frank terms, with brief statements pertaining to the environment, community, diversity and labor practices on its website, as well as access to its corporate social responsibility reports (the first dates to 2001). The company makes no claims to be “perfect” and highlights the protection of its reputation as integral to its mission: “to be an innovative and inspirational corporate citizen in a world where our company participates. We seek to protect and enhance the Nike brand through responsible business practices that contribute to profitable and sustainable growth” (Nike, 2004). Regarding labour practices, Nike states that “In the absence of uniform standards, we’re uncertain how disclosing the results of our own internal monitoring programs will contribute to transparency...” and “It’s not a perfect record and

it never will be, but we're committed to the process" (Nike, 2004).

The disclaimers and subdued tone of the CSER statements is likely a reflection of the Nike-Kasky case, in which Nike was sued for making false CSER statements about its working conditions in factories in Asia. This 1998 case was framed as a case of "free versus commercial speech", and it bounced from lower courts all the way to the California State Supreme Court, to be finally settled in September 2003 after a great deal of negative publicity, litigation battles and debate. This had ramifications for the CSER "community", bringing the risks of CSER (as "just PR") into a reality, part of the thinking behind Canadian Business for Social Responsibility's networking breakfast topic. Part of the settlement involved Nike's agreement to make additional workplace-related program investments totaling \$1.5 US-million to the Washington-based Fair Labor Association (FLA) (Nike, 2003).

Finally, one of the most ironic and telling expressions of CSER comes from Enron, which, unlike the above-mentioned corporations, is not an exemplar in the field of CSER. On the contrary, Enron gets dishonourable mention at CSER conventions and meetings: it has become a symbol of the corporate "bad apple", of why CSER is necessary, and why global capitalism is under threat. Despite the fact that the name "Enron" is now synonymous with "corruption", "scandal" and "failure", Enron stubbornly asserts its continued existence with a concise "business as usual" introductory statement on the home page of its website: "Enron is in the midst of restructuring its business with the hope of emerging from bankruptcy as a strong and viable, albeit smaller, company" (Enron, 2004a). Moreover, the Enron website still stakes claims to corporate responsibility on the issue of "climate change"—a concept that invites ridicule

given Enron's dramatic corruption exposé: "...Enron will continue to promote open, competitive markets for fuels, power technologies, environmental technologies, and energy services that will provide a wide range of meaningful choices to reduce greenhouse gas emissions." (Enron, 2004b) The fact that Enron continues to espouse its empty CSER platform, one which selectively reports on politically "safe" and ambiguous issues, is telling of the limitations and contradictions inherent to voluntary CSER.

There has been a significant backlash against the CSER statements of corporations, particularly the big-name brands dubbed "the celebrity face of global capitalism" by Naomi Klein (2000, 421). Companies have been accused of "greenwashing" their environmental records and "blue" or "red" washing their social and human rights commitments, focusing more on the public relations campaigns to fix bruised reputations than on measurable CSER outcomes. The public relations techniques of selectivity and ambiguity, in both reporting and practice, can be a dangerous game to play. Profit and social and environmental responsibility inevitably butt heads at important crossroads and junctures, and any attempt to suture these concepts, to create an illusion of harmony between dialectically opposed tendencies, is a delicate business.

This small sampling of CSER statements demonstrates how the discourse of CSER is being utilized as a hegemonic strategy for the "sustainability" of capitalism through techniques of obfuscation—ambiguity and selectivity. One further public relations technique will be examined in this thesis, one so integral to the hegemonic strategy of CSER that it merits a chapter all of its own: the technique of engaging in partnerships and dialogues, of consensus-building through cooption (Chapter 4).

So: Is CSER Just PR?

Myrna Khan of Canadian Business for Social Responsibility (CBSR) hosted one of several tables at the Globe 2004 Corporate Networking Breakfast on April 1, 2004. The discussion topic was: “Is CSR Just PR?”—a follow-up to the CBSR meeting of the night before. There was a round-table discussion in which Globe participants at the table, myself included, addressed the question at hand. A representative from Export Development Canada, Rosemarie Boyle, said, “Is CSR just PR? Gee, I hope not. Otherwise what are we all here for?” This sentiment seemed to be a consensus with a number of the participants at Globe 2004, an individual and human concern that the corporations and organizations they worked for possessed, at some level, real values. After the discussion, Khan revealed the answer that CBSR had reached by the end of its business meeting. CBSR had resolved the issue by creating a new formulation: “CSR-HR (human resources) = PR”. In other words, a corporation has to “embed” CSR into its operational fabric, its employee ethic, in order for it to have meaning.

The concept of “embedding CSER” into the fabric of employees is fitting from both a Gramscian and Marxist perspective. The embedding of CSER—as a common sense value, a consensus between stakeholders and corporations held together by the workers of corporations, an ideology and framework to be upheld, fostered and perpetuated—is to render CSER hegemonic. The effective instilment of CSER values into employees works to contribute to employee self-worth and well-being, and to spread CSER in the name of the corporation without real cost, through encouraging individual employees to undertake voluntary community service, charitable work, and even philanthropic commitments in the name of the corporation—without pay. This unpaid

work, although “voluntary”, necessarily correlates to advancement in a company (part of “teamwork”, and “going the extra mile”), and feeds into the classic Marxist analysis of the exploitation of workers’ labour power.

So: is CSER just PR? There is no clear-cut response, and it depends on how one defines the term. Public relations is certainly a central component to CSER, and ways in which corporations have claimed to go beyond “just PR” can also be framed as “PR”. At the same time, authentic corporate concern for social and environmental issues (“not just PR”), is present at least within the consciences of some corporate employees, at the individual level. The question as to what happens to this ethical concern when it comes into conflict, as it invariably does and will, with profit, is the fundamental question.

Chapter 4: Cooperation, Cooption or Contestation?

This thesis has so far been concerned primarily with the “hegemonic” corporate discourse and logic of CSER, rendered the common sense of early twenty-first century global capitalism despite its uneven application. CSER is a gambit that was created by and for corporate actors, primarily out of concern for the survival of capitalism in an era of anti-globalization movements and increasing stakeholder demands for increased social and environmental responsibility. Non-corporate stakeholders have helped to initiate this discourse, through the publicity of their demands and to a lesser extent, through their power as workers and consumers. They have also helped to shape the development of CSER through vigilance, pointing to its holes and weaknesses while applauding some of its successes.

The range of the CSER discourse within the corporate sphere is relatively infinitesimal: it runs from CSER-lite to CSER-deep, but by and large it is all wrapped within a singular logic encompassed in the “business case for CSER”, the logic of mitigated global capitalism. The “social and environmental approach” to the CSER discourse is far more heterogeneous. Stakeholders with social and environmental interests in CSER include NGOs, civil society movements, international organizations and charities, amongst other actors. Many of these groups choose not to engage at all with the CSER discourse, others condemn its shortcomings and contradictions—most notably the theory-practice gap, while still others engage in selective partnerships, dialogues and cooperative efforts with corporations, governments and other stakeholder groups to better address (generally in terms of available resources and finances) targeted social and environmental goals.

The problem that the hegemonic discourse and logic of CSER presents for social and environmental movements is complex and contradictory at best. Civil society organizations, NGOs and other social and environmental groups which choose to partner with corporations towards common social and environmental goals, albeit motivated by different aims, are engaged in a dangerous game, so to speak, of dancing with the devil. These unequal partnerships risk cooption and indeed complicity, often unwittingly, in the reproduction and legitimization of neoliberal globalization. According to Richter, such engagements bolster corporate claims to CSER through “image transfer”:

Many individuals, groups and organizations that accept industry funds or enter into ‘partnership’ arrangements and ‘dialogues’ with the industry believe that they will not be used for a company’s political—or marketing—purpose as long as they take care to maintain their integrity. They believe that being aware of and resisting the risks of being ‘bought’ or ‘co-opted’ by a company or business organization is sufficient... Many may still be unaware, however, that... they may well be used for ‘*image transfer*’—the transfer of their good reputation to the corporate sponsor or initiator of the dialogue. (2001, 154)

Tina Wallace also warns against the dangers of NGO cooption in her article “NGO Dilemmas: Trojan Horses for Global Neoliberalism?” which argues that development NGOs increasingly rely on donor funding with conditions attached and thus “they are inevitably drawn into supporting and even spreading many aspects of the dominant global agenda” (2004, 203).

While engaged in varying degrees with social and environmental issues, CSER is only a voluntary patchwork and piecemeal solution, in lieu of deeper and binding international regulations. It is a selective strategy of self-policing, compromise and mitigation, and research indicates that the key driver behind CSER is brand and

reputation, not ethics. At the same time, to reject any form of mitigated capitalism outright, to prefer that buccaneer capitalism should be left unmitigated, in order to accelerate inevitable class conflict and social revolution, smacks of fatalism and religiosity. The discourse of CSER also poses risks for corporations and opportunities for social and environmental gains. For instance, it opens the door to significant recourse and ramifications for corporate misdemeanors, and cases such as Nike-Kasky have proven that corporations who do not “walk the talk” can be taken to task.

“Partnerships”, “dialogues”, “stakeholder engagement” and “cooperation” are buzzwords of CSER. This concluding chapter will focus on various strategies of engagement with CSER from the perspective of non-corporate stakeholders, the “social and environmental approach” to CSER, through the lens of Gramsci’s concept of counter-hegemony.

Counter-hegemonic Strategies

Gramsci advocated two main strategies for political, social and cultural resistance to the hegemony of a dominant group, framed in the terms and concepts of military science: the war of position and the war of manoeuvre. The war of position is an offensive strategy against all spheres of hegemonic activity in the ruling classes—political, administrative, cultural and ideological, not only political and economic. It is a long struggle, waged primarily within institutions of civil society, and particularly suitable for liberal-democratic states with weak states, strong hegemonies and extensive civil societies. By contrast, the war of manoeuvre is a “frontal attack”, where the main goal is winning quickly, and the dominant state power has weak hegemony within civil society. According to Gramsci, the war of position could also lay the groundwork for a

war of manoeuvre in order to take power. In other words, unlike Lenin's vanguard overthrow of state power, Gramsci highlighted the importance of securing cultural, ideological and political confidence within civil society as a necessary precondition to securing political and economic power.

One of the critiques of Gramsci's theory of counter-hegemonic strategies is that his concept of the "war of position" is ambiguous and contradictory within his eclectic and fragmented writings. On the one hand, Gramsci distinguishes between the methods of the dominant and the subaltern classes: "in political struggle one should not ape the methods of the ruling classes..." (1971c, 232). On the other hand, his "war of position", the constant maneuvering of counter-hegemonic movements in spheres of culture, ideology, politics and economics, is a tactic which mirrors the "passive revolution" of the ruling classes. Gramsci describes the process of passive revolution as:

... the gradual but continuous absorption, achieved by methods which varied in their effectiveness, of the active elements produced by allied groups-- and even of those which came from antagonistic groups and seemed irreconcilably hostile. In this sense political leadership became merely an aspect of the function of domination—in as much as the absorption of the enemies' *elites* means their decapitation, and annihilation often for a very long time. (1971b, 59)

The passive revolution, like the war of position, is a battle waged on cultural, political and ideological grounds, only it is implemented in order to reinforce and to secure the foundation of political and economic domination rather than to secure the grounds for its replacement. Nonetheless, aside from the different starting positions—dominant versus subordinate, the tactics sound the same. Indeed, Gramsci links the strategies of passive revolution and war of position in the following passage:

... does there exist an absolute identity between war of position and passive revolution? Or at least does there exist, or can there be conceived, an entire historical period in which the two concepts must be considered identical—until

the point at which the war of position once again becomes a war of manoeuvre?
(1971b, 108)

The counter-hegemonic strategies proposed by Gramsci, while incomplete given the fact that they were written in prison, have important implications in the context of neoliberal globalization and the hegemonic refrain that “there is no alternative”. Gramsci wrote famously of “pessimism of the intellect and optimism of the will”, underscoring the importance of facing difficult social, political and economic challenges with intelligence, resourcefulness and spirit. The war of position which Gramsci advocated resembles a chess board, with each piece in turn countering the opposing side, better equipped to achieve checkmate if the pieces act in concert, forming alliances, coalitions, multitudinous and varied forms of attack and defense. This is an insightful way in which to frame social and environmental movements’ responses to CSER.

The Promise of Partnerships

There are several organizations which choose to receive funds or to engage in partnerships and collaborations with corporations. Notable examples include numerous United Nations groups, development-oriented NGOs that are dependent on funding (such as CARE), and several social and environmental NGOs. Some groups participate indirectly with corporations in advancement of CSER issues; for instance, the Conference Board of Canada conducted interviews concerning CSER with 24 interested stakeholders to gather their insights on CSER in their *National CSR Report*. All expressed interest in

expanding stakeholder input in future CSER directions, even though many of these groups do not engage in actual corporate partnerships.¹

According to the Conference Board's report, "having tightly focused, intimate partnerships with the community and voluntary groups is now the goal of most firms" (Greenall, 2004, 26). Examples of partnerships include working groups for specific issues, such as international working groups on carbon emissions and HIV/AIDs, consisting of international participants such as United Nations groups, the World Health Organization and the World Environmental Fund, industry groups, governments and NGOs. International metrics, benchmarking, and reporting initiatives have been developed, but these remain voluntary. Corporations can selectively adhere to international standards, such as the UN Global Compact, developed in January 1999, OECD Guidelines for Multinational Enterprises, Global Reporting Initiative, Social Accountability 8000, AccountAbility 1000, and the ISO 14000 and ISO 14001 environmental standards developed by the International Standards Organization in Switzerland.

The United Nations Environment Program was a "Platinum" sponsor at the Globe 2004 Conference, hosting two conference sessions (one on green buildings and another on cities as sustainable ecosystems), a trade fair booth, and the launch of a monograph. The organization is committed first and foremost to providing leadership and encouraging partnerships on issues of the environment and sustainable development:

¹The 24 stakeholders interviewed included: Amnesty International (Canada), Canadian Business for Social Responsibility, Canadian Co-Operative Association, Canadian Council of Chief Executives, Canadian Council for International Cooperation, Canadian Labour Congress, Communications, Energy and Paperworkers Union of Canada, ETC Group, Ethics Practitioners' Association of Canada, Greenpeace Canada, Industry Canada, International Institute for Sustainable Development, ISEAL Alliance, Maquila Solidarity Network, Mining Association of Canada, Mining Watch Canada, Oxfam Canada, Pembina Institute, Pollution Probe, SHARE, Social Investment Organization, The North-South Institute, United Way and World Wildlife Fund (Canada), Greenall, Appendix A, p. 41.

“UNEP’s approach to environmental management revolves around the creation of effective partnerships. We combine the values and interests of governments with the strengths of UN agencies, IGOs, NGOs and the private sector” (2004). UNEP heads four large groupings of partnerships: the Global International Waters Assessment, Commission on Sustainable Development, the Olympic Movement and the Environment, and Ministries of Environment.

Pollution Probe and the World Wildlife Fund, both environmental NGOs, have adopted strategies of collaboration and partnership in dealing with business on issues of CSER. At the Globe 2004 Conference, representatives from each of these NGOs spoke at a panel session on March 31, 2004 entitled “NGOs and Business: Cooperation or Confrontation?” alongside panelists from two Canadian corporations, Noranda Inc. and BASF Canada.

Pollution Probe, one of Canada’s oldest environmental NGOs, is heavily involved in research, education and advocacy, with four major areas of concern: air, water, energy and indoor environments (Pollution Probe, 2004). In the early days of the organization, conflict between NGOs and business was the prevalent strategy. Ken Ogilvie, Executive Director of Pollution Probe, noted in his Globe speech that while in the 1970s, dubbed the “pollution prevention” decade, NGOs targeted industries, the 1990s was the “sustainable development principle” decade in which NGOs experimented with a “fusion with business”.

Indeed, Pollution Probe has consciously taken the pragmatic strategic approach of engaging in partnerships and relying upon donor funding to carry out issue-specific projects, beginning in the 1980s. This strategy has produced some results, but it has also

backfired. Pollution Probe suffered a blow to its own reputation when it endorsed a line of “green” products at Loblaws in the late 1980s in return for a share of the profits. It was later exposed that Loblaws did not live up to its end of the bargain, and in fact some of the “green” products were not really green (Kellner, 1990).

Pollution Probe currently engages in partnerships with government agencies, businesses and other non-profit organizations, and relies on the financial support of donors to do much of its work. The aim is “results-driven”, working towards tangible results in policy and legislation while maintaining non-partisanship and representing the public interest. The website states that the organization is “... willing to work cooperatively with all levels of government and all political parties to ensure that the environmental needs of current and future generations are addressed through public debate, legislation and policy initiatives” (Pollution Probe, 2004).

World Wildlife Fund (Canada) takes a slightly different approach to engaging in partnerships, less deliberately Machiavellian. Linda Coady, VP of Pacific Operations for the WWF, spoke of the organization’s approach to cooperation with businesses and highlighted the fact that in her own career, she had worked for 20 years in the BC forestry industry. According to Coady, both cooperation and confrontation are necessary in achieving social and environmental goals. The reason to cooperate is threefold: different groups participate for different reasons and to achieve their own goals, the desired results cannot be achieved unilaterally, and groups participate in order to reconcile tensions. Put simply, businesses are concerned with their social license to operate, while NGOs are concerned with their financial capacity for advocacy. The end result is a “synergy”, where the whole is greater than the sum of its parts, and groups operate in “clusters” of

intersecting interests and simultaneous forces of cooperation and confrontation. At the same time, the trouble is that theory is stronger than practice, and there are no clear rules of the game.

The metaphor of the “cluster” was presented as a central, novel concept for Coady, much like Paul Hawken’s solution of “Whites” as the synthesis of the divergent groups of Red, Blue and Green. The use of “cluster” is particularly problematic given the most commonly cited definition of a cluster advanced by Michael Porter: “A cluster is a geographically proximate group of interconnected companies and associated institutions in a particular field, linked by commonalities and complementarities” (qtd. in Munn-Venn and Voyer, 2004, 4). In a report issued in July 2004 by the Conference Board of Canada entitled *Clusters of Opportunity, Clusters of Risk*, the promise of clusters for Canada is examined in detail, including a literature review of clusters, a survey of cluster executives and a review of case studies. Thus, the concept of clusters is not novel but in fact has its own history and literature; moreover, it is a concept that is typically identified exclusively with corporations: “Based on Porter’s definition and those put forward by others, clusters are typically identified where there is a geographical concentration of interrelated firms involved in a common field” (4). Use of this term implies the dominance and hegemony of corporate actors in the cooperation model, with the NGOs acting as “associated institutions” of corporations.

Both of the corporations present at the session affirmed the merits of partnership and cooperation as the only solution for NGOs and businesses. Carlos Leschziner of BASF Canada artfully advocated “collaboratory confrontation”, or a model of cooperation based on the build-up of trust, free discussions, forums for the exchange of

ideas, and the tacit agreement that none of the collaborating partners publish anything without consent. Robert Telewiak of Noranda Inc. showcased his company's consultation with local aboriginal communities in its diamond drilling in the far North of Quebec, indicating that such consultations are "increasingly normal practice". The idea, according to Telewiak, is to go beyond regulatory requirements, for such practices of cooperation "can reap rewards". Noranda's case is, in other words, a classic "business case for CSER".

During the discussion period, I raised the issue of what the parties diplomatically referred to as the "capacity gap" between corporations and NGOs, what I more specifically referred to as the dangers of NGO cooption. Neither of the corporations chose to respond to this query. Linda Coady responded that both strategies of cooperation and strategies of confrontation are necessary in advancing social and environmental change, and her organization just happens to have chosen a path of cooperation. Ken Ogilvie responded rather passionately that the partnership model is only a temporary strategy, and that, in the meantime, Pollution Probe is always "sharpening its weapons in the backroom" lest the political climate change. Ogilvie's sinister statement was the closing remark of the session, leaving an awkward and edgy silence in the room full of partners.

There were not many NGO participants at the Globe 2004 proceedings. The few who were present may be interpreted as "sell-outs", as "coopted". At the same time, when pressed, representatives from both Pollution Probe and World Wildlife Fund demonstrated sharp cognizance of the dangers of cooperation, and recognized the importance of engaging in strategies for change from all angles in the spectrum from

cooperation to confrontation. These groups may understand the Gramscian necessity of engaging in various strategies in a war of position; the question is whether these groups are truly counter-hegemonic, whether they can be indeed be satiated by piecemeal gains.

Alternative Strategies

A number of social and environmental movements and groups remain firmly opposed to cooperation with corporations on any level, and wage critiques of CSER for its paradoxical quality, the gap between theory and practice, and its use as public relations—referred to as “greenwashing” or “bluewashing”. For example, the organization CorpWatch, the slogan for which is “holding corporations accountable”, issues bimonthly “Greenwash awards” for corporations which spend more money, time and energy on public relations campaigns promoting their ecologically friendly images than on actually protecting the environment and more recently, “Bluewash awards” for corporate humanitarian advertising (2004). CorpWatch has spearheaded international campaigns such as the “Alliance for a Corporate-Free UN”, which rallies against UN corporate partnerships with “known human rights violators, or despoilers of the environment”. Amnesty International points out human rights violators and the need for greater CSER, GreenPeace red-flags companies with bad environmental records, and the Multinational Monitor produces annual lists of the “The 10 Worst Corporations”, in addition to a number of scathing critiques of corporate misdeeds.

Some groups have emerged which focus exclusively on combating particular corporations or institutions. There are at least nine anti-McDonald’s workers’ resistance organizations cited in the website “Antitoo” (2004). The website www.ihatestarbucks.com provides an anti-corporate space for people to rant against the

large corporation, while www.homedepotsucks.com exposes Home Depot's use of rainforest products, with sections dedicated themes such as "Home Towns versus Home Depots", "Day of Action against Home Depot", "Protest a HD Store Opening", and "Good Wood Alternatives".

Some of these types of sites of resistance can be criticized as single-issue rants based on the targeting of individual brands and corporations rather than the structure of global capitalism as a whole. Others are more effective and cunning. For example, the website www.gatt.org, which references the precursor to the World Trade Organization (WTO), the General Agreement on Tariffs and Trade (GATT), was created as a clever mock version of the original WTO web-site (2004). The site was created by the "Yes Men", who pose as WTO representatives and even accept invitations to speak at conventions and events. An "imposter" WTO representative notoriously announced the dissolution of the WTO in Sydney and its subsequent reconstitution as an organization to help the poor instead of the rich ("The Yes Men Dissolve the WTO", 2002).

The first step towards developing alternative visions is acknowledgement and understanding of how the discourse of CSER operates as a hegemonic strategy to legitimize global capitalism. The World Social Forum, set up as an alternative to the World Economic Forum, does not address "corporate social responsibility" in any of its manifestations within its public policy statements, but rather focuses on specific social and environmental issues and campaigns. Perhaps this refusal to engage with the discourse of CSER is an effective counter-hegemonic strategy. However, it is only one strategy amongst many possible alternatives.

For practitioners of both the corporate and social-environmental approaches to the

discourse of CSER, there is a tricky balance between compromise and cooperation to be maintained. The gap between the powerful, wealthy corporate world and the fragmented terrain of social-environmental movements is immense. Such an unequal partnership, particularly if unquestioned, seriously limits counter-hegemonic possibilities. Alliances between corporate actors and social-environmental movements, while involving some risk elements to corporations, nonetheless pose a far greater risk to society and to the environment through the cooption of the defendants of each. In a war of position it is difficult to ascertain what is a concession and what it a gain, or even whether the distinction can be made. Perhaps if the hegemonic discursive strategy of CSER is constantly questioned by social and environmental movements, and if the profit-first nature of CSER is exposed, then the hegemony of neoliberal globalization may be successfully countered.

Conclusion

The problem of unmitigated capitalism, as Marx concluded and David Harvey summarizes neatly, is that “(l)eft to its own devices, unchecked and unregulated, free-market capitalism would end up depleting and ultimately destroying the two sources of its own wealth- the laborer and the soil” (2000, 28). In other words, CSER is a response within the framework of capitalism to mitigate its own systemic destructive tendencies, to strike a balance between capital accumulation and the social and environmental license to accumulate capital. This is the “capitalism with a human face” of the Fordist and welfare state eras, revamped in the context of globalization.

This thesis has explored CSER through the lens of the history, logic, impetus and philosophy behind it, its particular geography as manifest in various sites across global capitalism, its coherence as a hegemonic corporate discourse, and prospects for counter-hegemonic strategies of social and environmental actors. CSER has been revealed as paradoxical and contradictory, as ranging from “lite” to “deep” in the fabric of corporations, as both a risk and an opportunity for not only corporations but stakeholders with a concern for the sake of future generations. There are no clear answers in approaching CSER, whether to accept some the social, environmental and economic “gains” it has espoused, albeit in uneven and anecdotal circumstances, or to reject it outright as a piecemeal diversion from the real exploitation occurring beneath the surface of “bourgeois ideology”. Gramsci’s “pessimism of the intellect and optimism of the will” offers no clear guidance away from the “there is no alternative” leitmotif of neoliberal globalization. According to David Harvey, the inability to come up with a united alternative through an “optimism of the intellect” is one of the most serious barriers to

progressive politics, and it does Gramsci a disservice not to

...recognize the contingent nature of the comment... Do we not also owe it to him, out of respect for the kind of fortitude and political passion he exhibited, to transform that phrase in such a way as to seek an optimism of the intellect that, properly coupled with an optimism of the will, might produce a better future. (2000, 17)

Harvey's point is well taken, not so much the idea of what kind of optimism to undertake, but rather as a reminder not to look only to old phrases that have become stale dogma, to the repeated refrains of what some term "vulgar Marxism". The dialectical approach of Marx highlights the importance of continual change according to historical circumstances, to contingency and a constant state of flux. Each strategy, whether political, social, economic, cultural or ideological, must be waged in its own particular historical circumstances and not according to any rigid formula.

Strategies of resistance are multiple, divergent, and at times coalesce. One may or may not be heartened by the fall of Enron and WorldCom, the popularity of the movies of Michael Moore and documentaries such as *The Corporation*, the burgeoning growth of the World Social Forum since 2001, the growth of anti-globalization protests and movements since the Battle in Seattle in 1991, and the swelling of anti-war and anti-imperialist sentiment internationally and even within the capitalist west, since the American invasion of Iraq. Knowledge, exposure and challenges to the underlying assumptions, the "common sense" behind neoliberal globalization, is the first step towards social and environmental change.

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Conference Calendar

	CORPORATE SUSTAINABILITY		ENERGY & CLIMATE CHANGE		BUSINESS OF BUILDING BETTER CITIES	
	Track 1 Strategies & Innovation	Track 2 Tools & Case Studies	Track 3 Climate Change	Track 4 Energy	Track 5 Sustainable Building & Construction	Track 6 Enabling Sustainable Cities
Wednesday, March 31st	08:30 – 10:00 SUSTAINABILITY PLenary INNOVATION IN THE 21ST CENTURY					
SESSION 1, 10:45 – 12:15	Creative Pathways to Sustainability Page 11 Room 11	NGOs & Business: Cooperation or Confrontation? Page 11 Room 2	Clean Development Mechanism & Joint Implementation: First Experiences Page 18 Room 13		*Building a Competitive Advantage: Green Buildings and the Triple Bottom Line Page 28 Room 1	Sustainable Urban Transportation: The True Cost of Congestion Page 28 Room 5
12:15 – 13:30 BREAK						
SESSION 2, 13:30 – 15:00	Material Metabolism: Supply Chain Gains in Material & Energy Flows Page 11 Room 13	How Do You Communicate the Business Case? Corporate Case Studies and Investor Relations Tools Page 12 Room 11	Is Carbon on Your Balance Sheet? Carbon as a Commodity Page 18 Room 2	Alternative Energy Realities: Corporate Case Studies Page 22 Room 8	Public-Private Partnerships for Sustainable Infrastructure Page 30 Room 1	Urban Governance: Greening By Example Page 30 Room 19
SESSION 3, 15:30 – 17:00	CEO Armchair Dialogue: Views of Sustainability Page 12 Room 11	Internalizing Sustainability: The Learning Corporation Page 12 Room 1		"Greening" the Winter Games: Utah 2002, Turin 2006 & Vancouver 2010 Page 22 Room 2	LEED Standards Update: Gold & Platinum Buildings Page 30 Room 13	City-to-City (C2C): Mobilizing Knowledge Networks for Urban Sustainability Page 30 Room 10
07:45 CORPORATE NETWORKING BREAKFAST						
08:30 – 10:00 ENERGY & CLIMATE CHANGE PLenary VISION FOR THE FUTURE						
SESSION 4, 10:30 – 12:00	Corporate Leadership in the Community Page 12 Room 1	Corporate Reporting: Trends in Transparency Page 14 Room 2	Climate Change Solutions: GHG Technology Innovations Page 22 Room 13	Barriers to the Hydrogen Economy Page 22 Room 8	Greening a Market for Green Buildings: Barriers and Next Steps Page 32 Room 11	The Long Term View: Planning for Urban Sustainability Page 32 Room 10
12:00 – 13:30 WOMEN'S NETWORKING LUNCH						
SESSION 5, 13:30 – 15:00	Capital Markets: Examining the Links Between Sustainable Development and Financial Performance in Canada Page 14 Room 11	The Highs & Lows of Implementing Sustainability: A Practitioner's Perspective Page 14 Room 1	Climate Change Solutions: GHG Measurement, Reporting and Verification: Connecting Projects with Markets Page 24 Room 13	The Hydrogen Highway™: Rolling Out BC's Hydrogen and Fuel Cell Strategy Page 24 Room 2	Buildings & Energy Efficiency Page 32 Room 10	Canada's Sustainable Cities Initiative (SCI): Focus on Africa Page 32 Room 8
SESSION 6, 15:30 – 17:00	The Sophistication of Stakeholder Relations Page 16 Room 1	Clean Technologies Financing Page 16 Room 11	Climate Change Solutions: Canadian Experiences with GHG Projects Page 24 Room 13	Aboriginal-Corporate Clean Energy Partnerships Page 26 Room 10	Low Carbon Buildings: Making Today's Buildings Meet Tomorrow's Standards Page 33 Room 2	Canada's Sustainable Cities Initiative (SCI): Focus on Latin America Page 34 Room 8
07:15 SUSTAINABLE CITIES NETWORKING BREAKFAST						
SESSION 7, 08:30 – 10:00	The Social Dimension of Sustainability Page 16 Room 1	International Environmental Regulatory Management: Operational Challenges in a Global Market Page 16 Room 2	Climate Change: Corporate Perspectives Page 26 Room 11		Cities as Sustainable Ecosystems (CASE): Principles & Processes Page 34 Room 10	Brownfield Redevelopment Page 34 Room 8
SESSION 8, 10:30 – 12:00	Financial Institutions & Sustainability: What's the Link? Do They Care? Page 17 Room 1	Special Ministerial Dialogue on Sustainability Page 17 Room 1		Leadership in the New Energy Era: BC's Energy Advantage Page 26 Room 2	Sustainable Cansos for Green Cities: The EcoSmart Example Page 34 Room 13	The Secure City Page 34 Room 5
12:00 – 13:30 BREAK						
13:30 – 15:00 SUSTAINABLE CITIES PLenary LEADING TRENDS IN SUSTAINABLE CITIES						
15:30 – 17:00 CANADIAN SUSTAINABLE CITIES AWARDS CEREMONY						
08:30 – 15:00 CANADIAN SUSTAINABLE CITIES AWARDS CEREMONY						

SUNDAY, APRIL 1st

Schedule

Tuesday, March 30th

- 16:00-20:00 Early Registration
- 19:00-21:00 Welcome Reception

Wednesday, March 31st

- 7:30-17:30 Registration Open
- 8:30-10:00 Opening Plenary Session
- 10:00-10:30 Trade Fair Opening Ceremony
- 10:00-18:00 Trade Fair Open
- 10:45-12:15 Conference Sessions
- 12:15-13:30 *Lunch Break*
- 13:30-15:00 Conference Sessions
- 15:00-15:30 *Break*
- 15:30-17:00 Conference Sessions

Thursday, April 1st

- 6:45-17:30 Registration Open
- 7:15-08:15 Networking Breakfast
- 8:30-10:00 Plenary Session
- 10:00-18:00 Trade Fair Open
- 10:00-10:30 Session Coffee Break
- 10:30-12:00 Conference Sessions
- 12:00-13:30 *Lunch Break*
- 12:00-13:30 Women's Networking Luncheon
- 13:30-15:00 Conference Sessions
- 15:00-15:30 *Break*
- 15:30-17:00 Conference Sessions

Friday, April 2nd

- 6:45-17:30 Registration Open
- 7:15-08:15 Networking Breakfast
- 08:30-10:00 Conference Sessions
- 10:00-17:00 Trade Fair Open
- 10:00-10:30 Session Coffee Break
- 10:30-12:00 Conference Sessions
- 12:00-13:30 *Lunch Break*
- 13:30-15:00 Plenary Session
- 18:30-22:00 Globe Awards and Gala Dinner

Saturday, April 3rd

- 08:30-18:00 2nd Annual GLOBE Foundation Golf Tournament

Plenary Sessions

Wed., March 31st, 2004

08:30 - 10:00

SUSTAINABILITY PLENARY

INNOVATION IN THE 21ST CENTURY

GLOBE 2004 kicks off with this powerful panel of leaders who will present their views on the key issues dominating the global sustainability movement. Guaranteed to draw the largest crowd at GLOBE 2004, this grand-opening session will set the stage for the most successful GLOBE event to date.

Premier Gordon Campbell, Province of British Columbia, Victoria, BC, Canada
(*welcoming remarks*)

Maurice Strong, President of Council, United Nations University of Peace, San Jose, Costa Rica; Special Advisor, Secretary General, United Nations, New York, NY, USA
(*moderator*)

The Honourable Lucienne Robillard, Minister of Industry, Ottawa, ON, Canada

Travis Engen, President & Chief Executive Officer, Alcan Inc., Montreal, QC, Canada

Thurs., April 1, 2004

08:30 - 10:00

ENERGY & CLIMATE CHANGE PLENARY

VISION FOR THE FUTURE

How will we minimize the effects of climate change? Energy prices are volatile; accessibility and security of fossil fuel supplies are questionable; and the reliability of electricity grids uncertain. Change is inevitable, but what will the future hold? Hear from our distinguished government and business leaders how they are managing uncertainty surrounding these issues and their vision for the future.

Michael Phelps, Chairman, Duke Energy Canadian Advisory Council, Vancouver, BC, Canada (*moderator*)

The Honourable John Efford, Minister of Natural Resources, Ottawa, ON, Canada

Rick George, President & Chief Executive Officer, Suncor Energy Inc, Calgary, AB, Canada

Fri., April 2nd, 2004

13:30 - 15:00

SUSTAINABLE CITIES PLENARY

LEADING CITIES TO A GREEN FUTURE

Cities around the world are addressing the sustainability challenge on a number of fronts through innovations in governance, land use planning, urban transportation, energy and water conservation, and green design and construction. This exciting plenary will feature speakers who are 'leading the charge' for sustainability in cities.

The Honourable David Anderson, Minister of the Environment, Ottawa, ON, Canada
(*keynote*)

Michael Harcourt, Chair, External Advisory Committee on Cities and Communities, Vancouver, BC, Canada (*moderator*)

The Honourable John Godfrey, Parliamentary Secretary to the Prime Minister, Toronto, ON, Canada

Larry Campbell, Mayor, Vancouver, BC, Canada

The Honourable Stephen Owen, Minister, Public Works and Government Services Canada, Ottawa, ON, Canada

Tracks 1 & 2 Corporate Sustainability

These sessions address the challenge of maintaining profitable business operations in markets that face new social, shareholder, consumer and government demands for sustainability and corporate accountability. Individual sessions will highlight emerging trends in corporate sustainability and provide insights on new systems and tools that will help corporations derive maximum benefit from being environmentally responsible.

Ray
Anderson

Paul
Beatley

Alicia
Blancarte

Steve
Bradfield

Michael
Braungart

George
Carpenter

Peter
Chapman

Scott
Charon

Linda
Coady

Wed., March 31st, 2004

10:45 - 12:15

ROOM 11

CREATIVE PATHWAYS TO SUSTAINABILITY

This session is designed to inspire and challenge boardroom strategies for sustainable business success. Big picture and long-term strategies will be debated and creative new approaches to business will be illustrated. This session will provide frameworks and evidence on corporations that are breaking new ground.

Dianne Dillon Ridgley, Director, Interface Inc.; Director, Green Mountain Energy; Director, The Natural Step, Iowa City, IA, USA (*moderator*)

Carlos Guimaraes, Vice President, Global Environmental Operations, The Dow Chemical Company; Chairman, U.S. Business Council for Sustainable Development (USBCSD), Houston, TX, USA

William McDonough, Founding Principal, William McDonough & Partners; Principal & Co-Founder, McDonough Braungart Design Chemistry (MBDC) LLC, Charlottesville, VA, USA

Wed. 10:45 - 12:15

ROOM 2

NGOS & BUSINESS

COOPERATION OR CONFRONTATION?

Traditionally, non-governmental organizations (NGOs) and major industry players have viewed each other as opponents. Many examples have emerged where NGOs and key industry players have chosen to cooperate to achieve economic and ecological improvements. This session will showcase some successful partnerships.

Ken Ogilvie, Executive Director, Pollution Probe, Toronto, ON, Canada

Carlos Leschziner, Director of Logistics, Purchasing, Ecology and Safety, BASF Canada, Toronto, ON, Canada

Linda Coady, Vice President, Pacific Operations, World Wildlife Fund, Vancouver, BC, Canada

Robert Telewiak, Vice-President, Environment, Health and Safety, Noranda Inc. / Falconbridge Ltd., Toronto, ON, Canada

Wed. 13:30 - 15:00

ROOM 13

MATERIAL METABOLISM

SUPPLY CHAIN GAINS IN MATERIAL & ENERGY FLOWS

Transitioning eco-efficiency into eco-effectiveness by using progressive design principles, creative material pooling strategies, and molecular monitoring are just three innovations currently revolutionizing the industrial design sector. Learn the basics of these principles and how you can re-design your products and production processes to turn wastes into profits.

Hadi Dowlatabadi, Canada Research Chair, Professor, University of British Columbia; University Fellow, Resources for the Future, Vancouver, BC, Canada (*moderator*)

Steve Bradfield, Vice President, Environmental Development, Shaw Commercial Division, Dalton, GA, USA

Michael Braungart, Principal & Founder, EPEA Internationale Umweltforschung GmbH, Hamburg, Germany; Principal & Co-Founder, McDonough Braungart Design Chemistry (MBDC) LLC, Charlottesville, VA, USA

Anthony Sutcliffe, Vice President, General Counsel, Ricoh Canada Inc., Mississauga, ON, Canada

Tracks 1 & 2 Corporate Sustainability (cont'd)

Hadi
Dowlatabadi

Bob
Elton

Gordon
Gibbons

George
Greene

Carlos
Guimaraes

Richard J.
Guimond

Betty-Ann
Heggie

Gord
Lambert

Carlos
Leschziner

Wed. 13:30 - 15:00 ROOM 11

HOW DO YOU COMMUNICATE THE BUSINESS CASE?

CORPORATE CASE STUDIES AND
INVESTOR RELATIONS TOOLS

Sponsored by

Hear from corporations who have investigated the relationship between environmental, social, and financial performance, and discover tools that show the business case for sustainability. In this session corporate leaders will illustrate case studies and tools to show the benefits of sustainability to the financial bottom line.

Mary Jane McQuillen, Director of Social Research, Social Awareness Investment Program, Citigroup Asset Management, New York, NY, USA (*moderator*)

Gord Lambert, Vice President, Sustainable Development, Suncor Energy Inc., Calgary, AB, Canada

John Rogers, Vice President, Investor Relations, Suncor Energy Inc., Calgary, AB, Canada

Jim Thomas, Executive Director, Health, Safety, Environment & Business Continuity, Novartis Corporation, Florham Park, NJ, USA

Ernst Ligteringen Chief Executive Officer, Global Reporting Initiative, Amsterdam, The Netherlands

Wed. 15:30 - 17:00 ROOM 11

CEO ARMCHAIR DIALOGUE

VIEWS OF SUSTAINABILITY

This candid interaction will provide insights on sustainability from the Chief Executive level. Join the discussion and get a glimpse of the big picture strategies for success and the lessons learned from failures on the road to sustainability.

Chris Henderson, Chief Executive Officer, The Delphi Group, Ottawa, ON, Canada (*moderator*)

Ray Anderson, Chairman, Interface Inc., Atlanta, GA, USA

Bob Elton, President & Chief Executive Officer, BC Hydro, Vancouver, BC, Canada

Jeffery Hollender, President & Chief Executive Officer, Seventh Generation, Burlington, VT, USA

Wed. 15:30 - 17:00 ROOM 1

INTERNALIZING SUSTAINABILITY

THE LEARNING CORPORATION

From executive retreats to shop floor seminars, corporations that educate and engage their employees are reaping the rewards of internal commitment and increased shareholder value. Learn about innovations in organizational design and human relations practices that motivate employees and deliver financial benefits, and discover which business schools are producing the "best and brightest" sustainability students and where those students want to work.

Bob Willard, Author, *The Sustainability Advantage*; Former Senior Manager, IBM Canada, Whitby, ON, Canada (*moderator*)

Scott Charon, New Product Development, Program Manager, Advanced Concepts and Materials, Herman Miller Inc., Zeeland, MI, USA

Justin Yuen, President, For My Innovation (FMYI); Former Senior Manager, Business Integration, Corporate Sustainable Development, NIKE Inc., Portland, OR, USA

Meghan Chapple, Manager, Business Education, World Resources Institute, Washington, DC, USA

Thurs., April 1st, 2004

10:30 - 12:00 ROOM 1

CORPORATE LEADERSHIP IN THE COMMUNITY

Sponsored by

Corporate leadership in the community takes vision, commitment, and recognition that long-term investment in natural and social capital is good business. Hear stories on how these corporate leaders are proving that corporate citizenship and corporate performance can go hand-in-hand.

Jim Oatridge, Group Services Director, Severn Trent Plc, Birmingham, United Kingdom (*moderator*)

Dirk Schlimm, Vice President, Corporate Affairs, Husky Injection Molding Systems Ltd. Bolton ON, Canada

Jamie McIntyre, Director, Sustainable Development, Cameco Corporation, Saskatoon, SK, Canada

Robert Safrata, Chief Executive Officer, Novex Couriers, Richmond, BC, Canada

Tracks 1 & 2 Corporate Sustainability (cont'd)

William
McDonough

Margery
Moore

Sandra
Odendahl

Ashley
Nixon

Vicky J.
Sharpe

Robert
Shaw Jr.

Thurs. 10:30 - 12:00

ROOM 2

CORPORATE REPORTING TRENDS IN TRANSPARENCY

With the support of

Canada
and Stratos Inc.

What is the current state of reporting and corporate disclosure? How can corporations get the most value from their reporting process? What are key report users looking for in a sustainability report? This session is designed to provide practitioners with the latest trends on corporate reporting as well as new reporting tools and practices.

George Anderson, Deputy Minister, Natural Resources Canada, Ottawa, ON, Canada
(moderator)

George Greene, President, Stratos Inc., Ottawa, ON, Canada

Betty-Ann Heggie, Senior Vice President, Corporate Relations, PotashCorp, Saskatoon, SK, Canada

Jim Stirling, General Manager, Environment & Energy, Dofasco Inc., Hamilton, ON, Canada

David Russell, Advisor, Responsible Investment, Universities Superannuation Scheme (USS), London, United Kingdom

Ernst Ligteringen, Chief Executive Officer, Global Reporting Initiative, Amsterdam, The Netherlands

Thurs. 13:30 - 15:00

ROOM 11

CAPITAL MARKETS EXAMINING THE LINKS BETWEEN SUSTAINABLE DEVELOPMENT AND FINANCIAL PERFORMANCE IN CANADA

Sponsored by

Can sustainable activities benefit business or capital markets in Canada? Is there a link between sustainable development and financial sector performance? Do capital markets recognize corporate social responsibility issues? Building upon the work of NRTEE's Capital Markets program, these critical questions will form the basis for a robust discussion. Engage with business leaders, fund managers, and representatives from both government and non-governmental organizations, as they discuss responsible investing and corporate governance, and explore the links between sustainability (environmental and social issues) and financial performance in Canada.

Gene Nyberg, Acting Executive Director, National Round Table on the Environment and the Economy (NRTEE) Ottawa, ON, Canada (moderator)

Patricia McCunn-Miller, Co-Chair, Capital Markets Program, National Round Table on the Environment and the Economy, Calgary, AB, Canada; Former Vice President, Environment and Regulatory Affairs, Encana Corporation, Calgary, AB, Canada

Peter Chapman, Executive Director, Shareholder Association for Research and Education (SHARE), Vancouver, BC, Canada

Gordon Gibbons, Vice President, Leith Wheeler Investment Counsel, Vancouver, BC, Canada

Helen Kearns, President, NASDAQ Canada, Montreal, QC, Canada

Alan Willis, Project Director, Canadian Institute of Chartered Accountants, Toronto, ON, Canada

Thurs. 13:30 - 15:00

ROOM 1

THE HIGHS & LOWS OF IMPLEMENTING SUSTAINABILITY A PRACTITIONER'S PERSPECTIVE

In Co-operation with

This interactive session will identify and discuss barriers to the implementation of sustainability and share breakthroughs from on-the-ground practitioners. Hear personal testimonials about the most difficult challenges in integrating sustainability and some of the seminal successes inside corporations that are trying to walk the sustainability talk.

Adine Mees, President & Chief Executive Officer, Canadian Business for Social Responsibility, Vancouver, BC, Canada (moderator)

Ashley Nixon, Sustainable Development Advisor, Shell Canada, Calgary, AB, Canada

Denise Taschereau, Social and Environmental Responsibility Manager, Mountain Equipment Co-op, Vancouver, BC, Canada

Alicia Blancarte, Director, Environmental Programs, Vancouver Port Authority, Vancouver, BC, Canada

Tracks 1 & 2 Corporate Sustainability (cont'd)

Anthony
Sutcliffe

Denise
Taschereau

Robert
Telewiak

Jim
Thomas

Bob
Willard

Justin
Yuen

Thurs. 15:30 - 17:00 ROOM 1

SOPHISTICATION OF STAKEHOLDER RELATIONS

Many leaders see stakeholder relations as a key component of the sustainability of a corporation. What new, sophisticated techniques are being used for the consensus building process? How are multi-stakeholder decisions being made? Learn from the experts how stakeholder dialogues are moving into co-production decisions, governance issues, and right-to-operate resolutions.

Brian Kelly, Director, Sustainable Enterprise Academy; Deputy Director, Erivan K. Haub Program in Business & Sustainability, Schulich School of Business, York University, Toronto, ON, Canada (*moderator*)

Elizabeth Dowdeswell, President, Nuclear Waste Management Organization, Toronto, ON, Canada

Richard J. Guimond, Vice President & Corporate Director, EHS, Motorola, Inc. Schaumburg, IL, USA

Eric Olson, Vice President, Advisory Services, The Natural Step, San Francisco, CA, USA

Thurs. 15:30 - 17:00

ROOM 11

CLEAN TECHNOLOGIES FINANCING

Where is the capital for environmental investments? What are the trends in capital allocation? Join venture capitalists, government agencies, institutional investors, and fund managers as they discuss their investment criteria and programs for backing companies with clean, green technologies.

Nicholas Parker, Chairman, Cleantech Venture Network LLC, Toronto, ON, Canada (*moderator*)

Vicky J. Sharpe, President & Chief Executive Officer, Sustainable Development Technology, Canada, Ottawa, ON, Canada

Robert Shaw Jr., President, Areté Corporation, Center Harbor, NH, USA

Wal Van Lierop, Chief Executive Officer, Chrysalix Energy Limited Partnership, Vancouver, BC, Canada

Fri., April 2nd, 2004

08:30 - 10:00

ROOM 1

THE SOCIAL DIMENSION OF SUSTAINABILITY

What is the social responsibility of corporations? What roles do businesses play in poverty alleviation, social exclusion, and community governance? How are corporations responding to increased expectations to be agents of social change? What companies are seizing social challenges as business opportunities?

Rosemarie Boyle, Vice President, Corporate Communications & External Relations, Export Development Canada (EDC), Ottawa, ON, Canada (*moderator*)

George Carpenter, Vice President, Sustainable Development, Procter & Gamble, Cincinnati, OH, USA

Barbara Zach, Vice President, Corporate Responsibility & International Relations, Encana Corporation, Calgary, AB, Canada

Hank Cauley, Partner, Ecos Corporation, Falls Church, VA, USA

Fri. 08:30 - 10:00

ROOM 2

INTERNATIONAL ENVIRONMENTAL REGULATORY MANAGEMENT

OPERATIONAL CHALLENGES IN A GLOBAL MARKET

Sponsored by

When a company decides to globalize there is an assumed responsibility to ensure that all local regulatory requirements are met. What if, however, there are minimal to no regulations in place and/or conflicting policies from headquarters or elsewhere? How do you manage the complex web of cultural considerations that go hand-in-hand with how regulatory obligations are interpreted, managed, and fulfilled? Join a dynamic panel of experts who will candidly discuss some of the special challenges of, and approaches for, globalizing an EHS compliance program and bringing it up to best-practice standards of operation.

Margery Moore, Strategic Alliance Manager, EHS Division, BNA, Washington, DC, USA (*moderator*)

Paul Beatley, President, ENHESA Environmental Policy Center, Washington, DC, USA

William Blackburn, Principal, William Blackburn Consulting; Former Vice President & Chief Counsel, Corporate Environment Health & Safety, Baxter International, Long Grove, IL, USA

William Thomas, Attorney, Environment, Land Use & Natural Resources Group, Pillsbury Winthrop LLP, Washington, DC, USA

Fri. 10:30 - 12:00

ROOM 1

FINANCIAL INSTITUTIONS & SUSTAINABILITY

WHAT'S THE LINK? DO THEY CARE?

What effects do corporate governance scandals, shareholder resolutions, and increasing disclosure standards have on banks and their sustainability reporting? Are large lending institutions making the link between sustainability and fiduciary responsibilities? Or does sustainability even register in any real way in banking decisions for credit risk assessment? Do corporations with outstanding sustainability records get rewarded or punished by private lending institutions? What are the implications of banks including carbon in their credit risk assessments? All these and many more questions will be addressed in this session by North America's private lending sector.

Milton Wong, Chairman, HSBC Asset Management Canada, Vancouver, BC, Canada (*moderator*)

William Christmas, Senior Manager, CIBC Environmental Risk Management, Toronto, ON, Canada

Arthur Fitzgerald, Chief Environmental Advisor, Export Development Canada, Ottawa, ON, Canada

Lee Davis, President & Chief Executive Officer, VanCity Capital Corporation, Vancouver, BC, Canada

Sandra Odendahl, Senior Manager, Environmental Risk Management, RBC Financial Group, Toronto, ON, Canada

Fri. 10:30 - 12:00

ROOM 11

SPECIAL MINISTERIAL DIALOGUE ON SUSTAINABILITY

With the support of

Canada

Global and domestic environmental challenges abound, including protecting water quality, managing trans-boundary and local air quality, promoting environmental stewardship,

determining the causes and impacts of climate change, and ensuring the sustainable development of natural resources. This dialogue will be an opportunity to hear from ministers on these issues, and to hear their views on progress to date and future challenges in achieving sustainability. This interactive session will also afford participants the opportunity to pose questions to the panel regarding perspectives on key sustainability issues in Canada and abroad.

Suzanne Hurtubise, Deputy Minister, Environment Canada, Gatineau, QC, Canada (*moderator*)

Larry Whitty, Parliamentary Under-Secretary of State, Ministry for Farming, Food and Sustainable Energy, London, United Kingdom

Leona Dombrowsky, Minister of Environment, Toronto, ON, Canada

Lorne Taylor, Minister of Environment, Edmonton, AB, Canada

Attilio Savino, Secretary for Environment and Sustainable Development, Buenos Aires, Argentina

Financial Post's Top 300 Corporations

3M Canada Co.	Burlington Resources Canada Ltd.	Coopérative fédérée de Québec
Abbott Laboratories Ltd.*	CAE Inc.	Co-operators General Insurance Co.
Abitibi-Consolidated Inc.	Caisse de dépôt et placement du Québec	Costco Wholesale Canada Ltd.
Aecon Group Inc.	Calgary Co-operative Association Ltd.*	Cott Corp.
Agricore United	Call-Net Enterprises Inc.	CP Ships Ltd.
Agrium Inc.	Cameco Corp.*	Creo Inc.
Agropur Cooperative*	Canada Life Financial Corp.	Crown Cork & Seal Canada Inc.
Air Canada	Canada Mortgage and Housing Corp.*	DaimlerChrysler Canada Inc.*
Alberta Gaming and Liquor Commission	Canada Post Corp.	DaimlerChrysler Services Canada Inc.
Alberta Treasury Branches*	Canada Safeway Ltd.	Deloitte & Touche LLP*
Alcan Inc.	Canadian Commercial Corp.*	Devon Canada Corp.
Algoma Steel Inc.	Canadian Imperial Bank of Commerce*	Dofasco Inc.
Alimentation Couche-Tard Inc.	Canadian National Railway Co.*	Domtar Inc.
Alliance Atlantis Communications Inc.*	Canadian Natural Resources Ltd.	Dorel Industries Inc.
Allianz Canada	Canadian Oil Sands Trust	Dow Chemical Canada Inc.*
Apache Canada Ltd.	Canadian Pacific Railway Ltd.*	DuPont Canada Inc.
AstraZeneca Canada Inc.	Canadian Tire Corp., Ltd.	EDS Canada Inc.*
AT & T Canada Inc.	Canadian Ultramar Co.	E-L Financial Corp. Ltd.
ATCO Ltd.	Canadian Waste Services Inc.	Ellis-Don Inc.
ATI Technologies Inc.	Canadian Wheat Board*	Emco Ltd.
Aviva Canada Inc.	Canfor Corp.	Emera Inc.*
AXA Canada Inc.	Canon Canada Inc.	Empire Co. Ltd.
Bank of Canada	Canpotex Ltd.	Enbridge Inc.
Bank of Montreal*	CanWest Global Communications Corp.	Encana Corp.*
Barrick Gold Corp.	Cara Operations Ltd.	Enmax Corp.
BASF Canada	Cargill Ltd.	EPCOR Utilities Inc.*
Bayer Inc.	Cascades Inc.*	Export Development Canada*
BC Gas Inc.	CCL Industries Inc.	Export Packers Co. Ltd.
BCE Inc.	CGI Group Inc.	Extendicare Inc.
Biovail Corp.	Charlwood Pacific Group	Fairfax Financial Holdings Ltd.
BMTC Group Inc.	Cinram International Inc.	Fairmont Hotels & Resorts Inc.
Bombardier Inc.	Cisco Systems Canada Co.	Federated Co-operatives Ltd.
Brascan Corp.	Cognos Inc.	Finning International Inc.
British Columbia Hydro & Power Authority*	Commission de la santé et de la sécurité au travail	FirstService Corp.
British Columbia Liquor Distribution Branch		Flint Energy Services Ltd.
British Columbia Lottery Corp.		Fluor Canada Ltd.*
		Ford Credit Canada Ltd.
		Ford Motor Co. of Canada, Ltd.*
		Fording Canadian Coal Trust

Fortis Inc.	KPMG LLP	Onex Corp.
FPI Ltd.	Kruger Inc.	Ontario Lottery and Gaming Corp.
Gaz Métropolitain and Co., L.P.	Lafarge Canada Inc.	Ontario Power Generation Inc.
Geac Computer Corp. Ltd.	Laidlaw Inc.*	Parmalat Canada Ltd.
General Motors Acceptance Corp. of Canada	Laurentian Bank of Canada	PCL Construction Group Inc.
General Electric Canada Inc.	Le Mouvement des caisses Desjardins	Penn West Petroleum Ltd.
General Motors of Canada Ltd.*	Lear Canada Ltd.	Pepsi-Cola Canada Ltd.
George Weston Ltd.	Ledcor Industries Ltd.*	Petro-Canada
Gerdaul Ameristeel Corp.	Liberty Mutual Group	Pfizer Canada Inc.
Glaxo SmithKline Inc.	Linamar Corp.	Pharmasave Drugs (National) Ltd.
Great Atlantic & Pacific Company of Canada Ltd.	Liquor Control Board of Ontario	Placer Dome Inc.
Groupe Brochu	Lloyd's Underwriters	Potash Corp. of Saskatchewan Inc.
Groupe Uniprix	Loto-Québec	Power Corp. of Canada
Hewlett-Packard (Canada) Co.	Magna International Inc.	PPG Canada Inc.
Hollinger Inc.	Manitoba Telecom Services Inc.*	Pratt & Whitney Canada Corp.
Honda Canada Inc.	Manulife Financial Corp.	Precision Drilling Corp.
Honeywell Ltd.	Maple Leaf Foods Inc.	Procter & Gamble Canada Inc.
HSBC Bank Canada	Masonite International Corp.	QIT-Fer et Titane inc.
Hudson's Bay Co.*	Mazda Canada Inc.	Quebecor Inc.
Hurricane Hydrocarbons Ltd.	McCain Foods Limited	Reitmans (Canada) Ltd.
Husky Energy Inc.	McDonald's Restaurants of Canada Ltd.*	Réno-Dépôt inc
Husky Injection Molding Systems Ltd.	McKesson Canada Corp.	Rexel Canada Inc.
Hydro One Inc.	MDC Corp. Inc.	Ridley Inc.
Hydro-Québec	MDS Inc.	Rogers Communications Inc.
Hyundai Auto Canada	Mercedes-Benz Canada Inc.	RONA Inc.
IBM Canada Ltd.*	Merck Frosst Canada & Co.	Royal & SunAlliance Canada
Imperial Oil Ltd.	Methanex Corp.	Royal Bank of Canada
Imperial Tobacco Canada Ltd.*	METRO Inc.	Royal Group Technologies Ltd.
Inco Ltd.	Microsoft Canada Inc.	Russel Metals Inc.
Indigo Books & Music Inc.	Mitsubishi Canada Limited	Samuel Manu-Tech Inc.
Industrial-Alliance Life Insurance Co.	Mitsui & Co. (Canada) Ltd.*	Saputo Inc.
ING Canada Inc.	Molson Inc.	Saskatchewan Power Corp.
Insurance Corp. of British Columbia*	Moore Corp. Ltd	Saskatchewan Telecommunications*
International Forest Products Ltd.	Motorola Canada Ltd.	Saskatchewan Wheat Pool
International Truck & Engine Corp. Canada	Murphy Oil Co. Ltd.	Sears Canada Inc.*
Intertape Polymer Group Inc.	National Bank of Canada*	Shaw Communications Inc.
Intrawest Corp.	NAV CANADA	ShawCor Ltd.
IPSCO Inc.	Nestle Canada Inc.	Shell Canada Ltd.
Ispat Sidbec Inc.	New Brunswick Power Corp.	Sherritt International Corp.
Ivaco Inc.	Nexen Inc.*	Shoppers Drug Mart
James Richardson & Sons, Limited	Nexfor Inc.	Siemens Canada Ltd.
JDS Uniphase Canada Ltd.	Nexinnovations Inc.*	Slater Steel Inc.
John Deere Ltd.	Nissan Canada Inc.	Slocan Forest Products Ltd.
Johnson Controls Ltd.	Noranda Inc.	Smithfield Canada Ltd.
Kingsway Financial Services Inc.	NorskeSkog Canada Ltd.	SNC-Lavalin Group Inc.
	Nortel Networks Corp.	Société des alcools du Québec
	North West Co. Fund	Société générale de financement du Québec
	NOVA Chemicals Corp.	Sony of Canada Ltd.
	Novamerican Steel Inc.*	SSQ, Société d'assurance-vie inc.

Table 2
53 Surveyed Corporations, Industry Breakdown

Industry	No. of companies
Accounting	1
Amusement	1
Banking	5
Biotechnology	1
Chemicals	1
Energy	3
Engineering	2
Farm	1
Finance	2
Food manufacturing	1
Food seller	1
Forestry	2
High tech manufacturing	1
Import	1
Information technology	2
Manufacturing	2
Media	1
Merchant	2
Mining	3
Property insurance	2
Service	1
Telecommunications	2
Transportation	3
Utility	8
Vehicle	3
Wholesale	1

Source: The Conference Board of Canada.

St. Lawrence Cement Group Inc.	The Wawanesa Mutual Insurance Co.
State Farm Group Insurance Co.	Toromont Industries Ltd.
Stelco Inc.	Toronto Hydro Corp.*
Sun Life Financial Services of Canada	Torstar Corp.
Suncor Energy Inc.*	Toyota Canada Inc.
Taiga Forest Products Ltd.	TransAlta Corp.*
Talisman Energy Inc.	Transat A.T. Inc.
Teck Cominco Ltd.*	TransCanada PipeLines Ltd.*
Telesystem International Wireless Inc.	Transcontinental Inc.
TELUS Corp.	Trizec Canada Inc.
Tembec Inc.*	Unilever Canada Ltd.
The Bank of Nova Scotia	Union Gas Ltd.*
The Brick Warehouse Corp.	United Farmers of Alta Co-operative Ltd
The Canam Manac Group Inc.*	Univar Canada Ltd.
The Economical Insurance Group*	Volkswagen Canada Inc.
The Forzani Group Ltd.	Wajax Ltd.
The Independent Order of Foresters	Weldwood of Canada Ltd.
The Jean Coutu Group (PJC) Inc.	West Fraser Timber Co. Ltd.
The Jim Pattison Group	Weyerhaeuser Co. Ltd.
The Katz Group	Wolseley Holdings Canada Inc.
The Manitoba Hydro-Electric Board	Workers' Compensation Board, Alberta
The Maritime Life Assurance Co.	Workplace Safety & Insurance Board
The TDL Group Ltd.	Xerox Canada Inc.
The Thomson Corp.	
The Toronto-Dominion Bank*	

*denotes survey respondent (n=53)