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A Research Proposal for the Academy of Finland, by Jussi Pakkasvirta,
<http://www.helsinki.fi/hum/ibero/pakkasvirta/>

Abstract

World Politics, Global Ethics and Corporate Social Responsibility: an Interdisciplinary Perspective

Corporate Social Responsibility (CSR) has become a competitive advantage for many companies: while optimizing their profitability, companies face increasing pressure to act responsibly towards their stakeholders in both their home and host countries. While Western companies compete for selling profitably their products, many emerging economies compete for attracting inward investments in order to spur their economic growth. In these processes CSR meets new challenges: the unequal global development of laws and regulations, formal and informal institutions and networks – as well as the influence of national cultures and manifold stakeholder pressures. The companies have to balance between multiple stakeholder demands and act according to responsible business practices – locally and globally. The case-study of the research is pulp industry in Latin America (Uruguay).

An important tool for an interdisciplinary research process is offered by critical realism (CR). This is an ontologically realist and epistemologically relativist research attitude, in which causal relationships, are irreducible to empirical “constant conjunctions”. On a practical level this kind of research attitude seeks to develop hermeneutic iconic models or establish how and why different “stories” or visions in a conflict or in a special case are developed. This requires first the construction of rational-choice models behind the environmental disputes, which are then converted into iconic models.

CSR could be a way of avoiding cultural stereotypes and lead to a genuine understanding of different attitudes. From this point of view it is interesting that the transnational companies have found the most managerially-run western NGOs at many levels, but when real conflicts escalate in poorer countries, the local movements are not accepted as participants and equals.

The key question in the project is how different actors use a specific pulp mill conflict. Accordingly, the **main objectives** of the research are: 1) to deepen the understanding of the characteristics of actual environmental conflicts from analytical interdisciplinary perspective, 2) to analyze under what conditions emergent conflicts could be prevented from becoming violent (or how they could be prevented or resolved, creating iconic models through the empirical cases of pulp industry), and then, 3) to analyze the inter-dependencies between global political economy, business-ethics and corporate social responsibility.

The empirical **sources** of the research include a wide sample of media and expert texts (newspapers and other materials in media, business green papers, official State and EU-documents). Semi-structured interviews have already been conducted with business, government and NGO representatives in EU and Latin America, but some more interviews will be done abroad during 2009. Two surveys have been conducted during the Argentinean elections (October 2007). Also reports and materials of paper industry and NGOs will be used. Most of these research materials are already in digital format, but one idea of the project is to create a data-bank on CSR and environmental issues (including the interviews), to be given later for the use of other researchers in Finnish Social Science Data Archive (FSD, a national resource centre for social science research and teaching at the University of Tampere, Finland).