Special Issue on "New Perspectives on Business, Development, and Society Research"

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The theme of this special issue is "New Directions in Business, Development, and Society Research". The special issue aims to find new ways forward in the CSR and international development debate 5 years after the journal *International Affairs* first published a special issue on critical perspectives on CSR in the developing world (81:3, May 2005). A core concern of that particular issue was to take a critical look at the theoretical potential, limits and the actual impacts of CSR policies in the developing world. The last 5 years have witnessed a new set of issues being linked to the notion of CSR (e.g., the business and poverty reduction debate). We have also seen increasing sophistication in terms of the theoretical perspectives and methodological approaches that are employed in the CSR and development debate (e.g., impact assessment methodologies related to codes of conduct). Furthermore, there has been a greater emphasis on incorporating local-level firm, farmer, and worker perspectives on the relevance and applicability of Western-style CSR interventions to their particular contexts (see e.g., Barrientos and Smith, 2007; Blowfield and Dolan, 2008; Kandachar and Halme, 2008; Khan and Lund-Thomsen, forthcoming).

Originally, the need for critical, academic inquiry of the way in which CSR was operationalized in developing world contexts arose due to the narrow, instrumentalist focus of the business-oriented literature on the topic that existed in the late 1990s and early 2000s. In fact, a great deal of attention was paid to how businesses could enhance their profitability by incorporating social and environmental considerations into their core operations ("the so-called business case for CSR"), thus generating win–win outcomes for business and society at large. In recent years, this original concern was further developed in a number of "inspirational books" for corporate

practitioners that continued to (uncritically) propagate ideologically based claims such as "businesses are part of the solution, not part of the problem" and examining how "the world's leading companies are doing good by doing well" (Boutilier, 2009; Lazlo, 2008, cover page; Waddock and Badwell, 2007; Wall, 2008).

By contrast, the "critical perspectives" literature on CSR in developing countries highlighted the lack of empirical evidence to support the idea that CSR initiatives could produce win-win outcomes for Northern multinational companies in financial terms and for local workers and communities in soical and environmental terms. Different studies revealed that win-lose outcomes were recorded in some cases, and lose–lose outcomes were the result in other instances (see e.g., collection in Raufflet and Mills, 2009). The mainstream business-oriented CSR literature was criticized for assuming consensus on the values and goals inherent in Anglo-Saxon inspired CSR discourse, for downplaying power differentials and conflicts between actors, and excluding the intended beneficiaries from having a say in the formulation, implementation, and monitoring of Western-based CSR policies in the developing world (Blowfield and Frynas, 2005; Frynas, 2008; Newell and Frynas, 2007; Prieto-Carrón et al., 2006). Other criticisms pointed to the potentially perverse effects of CSR policies in legitimizing the lack of implementation of national-level social and environmental legislation in the developing world (Utting and Zammit, 2009). From this point of view CSR has been seen as part and parcel of a neo-liberal development model whose core features – the privatization of state enterprises, deregulation of national economies, and liberalization of international trade – further marginalized low-income workers, farmers, and communities in

the developing world (Mukherjee Reed and Reed, 2009).

While not abandoning these concerns, this special issue seeks to move beyond these broad-based debates on the pros, cons, and actual effects of the CSR in Africa, Asia, and Latin America. Instead this special issue is concerned with exploring a more nuanced, and contextually informed understanding and explanation of the nature and consequences of CSR interventions undertaken by different types of firms, in specific industries, located in distinct localities across the developing world. In particular, it examines how CSR notions travel across time and space, emerging on the ground level in various different forms other than those originally intended. In short, the special issue focuses on the tension that exists between pressures to adopt Western-style CSR initiatives in Africa, Asia, and Latin America and the search for locally appropriate solutions to these pressures.

One of the areas in which the tension between pressures to adopt Western-style CSR interventions and the search for locally appropriate solutions is most obvious is the management-oriented literature on business and poverty reduction. In examining the claim that business can help reduce poverty, the article by Blowfield and Dolan argues that the evidence in favor is not particularly strong. With reference to the experiences of producers of fairtrade tea in Kenya, Blowfield, and Dolan's article highlights the complex nature of what are considered "beneficial" outcomes for low-income producers and workers as well as the gap that often exists between well-intentioned fair-trade policies and the actual experiences of their intended beneficiaries. The lesson that can be drawn on the basis of this analysis may not only apply to fair trade initiative, but also to more commercially oriented ethical trade initiatives that seek to benefit poor farmers and workers in the developing world.

The article by Lund–Thomsen and Nadvi similarly explores the tensions that arise between demands for CSR compliance found in many global value chains (GVCs) and the search for locally appropriate responses to these pressures. However, they focus on another emerging and relatively understudied area of interest to the CSR debate: so-called small firm industrial clusters. These industrial clusters have the potential for improving CSR monitoring in developing country export industries through local governance mechanisms that take the form of joint action amongst cluster-level institutions. Lund-Thomsen and Nadvi explore the potential complementarities and contradictions that arise when CSR compliance demands are simultaneously sought implemented through the global value chain governance of leading international brands and local governance via collective action cluster institutions. They use a comparative analysis of two leading football clusters in South Asia to demonstrate that vertical value chain and horizontal cluster governance aspects had significant impacts on the efforts of both clusters to eradicate the use of child labor in the stitching of footballs. The interplay between these two distinct forms of governance brought about differentiated outcomes in terms of forms of work organization and child labor monitoring within both clusters. This raises broader questions on how global CSR demands can be better locally embedded within clusters.

The article by Bitzer and Glasbergen takes a different look at interplay between global and local forces in shaping CSR outcomes in developing countries. In contrast to the article by Lund–Thomsen and Nadvi in which global value chain governance seemed to take prominence, Bitzer and Glasbergen's analysis shows that national-level governance through the state's regulatory policies is dominant in the case of facilitating and/or hindering the implementation of intersectoral partnerships for sustainable cotton production in Sub-Saharan Africa. Their article shows that factors in the institutional environment of such partnerships can present barriers or opportunities for the implementation of partnerships, depending on the kinds of farming (cooperative vs. contract farming) and sustainability standard (organic/fairtrade vs. more mainstream) strategies the partnerships pursue. While institutional factors do not exclusively determine the capacity of partnerships to achieve their intended objectives, Bitzer and Glasbergen argue that they constitute a broader context in which contract farming and mainstream-sustainability standards are easier to implement than cooperative farming and organic standards.

Whereas the article by Bitzer and Glasbergen examines the ways in which broader questions of societal governance facilitate or constrain CSR interventions, Frynas is concerned with how CSR interventions attempt to influence key aspects of

societal governance. He analyzes the issue of revenue transparency in the oil and gas sectors of developing countries. Such transparency constitutes a key governance challenge which multinational oil and gas companies are currently seeking to address. His study suggests that (1) tackling societal governance challenges is crucial to addressing the impact of corporate activities; (2) current CSR and policy initiatives are entirely inadequate in addressing governance challenges; and (3) corporate activities may be contributing to governance failures.

Frynas' findings are not only of importance in relatively well-studied contexts such as South Africa and Nigeria. In their article, Kolk and Lenfant highlight how oil and gas MNCs also face large CSR dilemmas in the less well-known, conflict ridden contexts of Central Africa. This both relates to how they might support and/or undermine national societal governance through their traditional CSR policies, and also the position they adopt vis-à-vis ongoing conflicts in this area. Kolk and Lenfant use the case of how MNCs report on CSR and conflict in Angola, the Democratic Republic of the Congo, and the Republic of the Congo to shed light on these issues. Their analysis shows that the most MNCs report on their economic and social impacts. However, they do so in a fairly generic fashion without paying much attention to the specific context in which these activities are implemented. While some MNCs do acknowledge the limits of their power and the dilemmas associated with their presence in these countries, the issue of conflict does not receive much attention in their CSR reporting. Nevertheless, their role in co-creating sustainable economies in these conflict-ridden areas remains crucial and deserves further attention in future policy and research.

Jamali also highlights the tensions that arise between the generic implementation of Western-style CSR policies and the search for more locally appropriate CSR responses to the particular social and environmental challenges that arise in developing country contexts. She argues that MNCs' CSR practices have at best brought mixed results. With reference to business-society and international business political behavior literature, her paper identifies the dimensions and contingencies relevant for analyzing the standardization or localization of MNC's

CSR strategies. Using these dimensions and contingencies as a new theoretical framework she employs an interpretive research methodology to examine the CSR policies of MNC subsidiaries in Lebanon. She concludes that specific subsidiary endowments and host market characteristics play crucial roles in diluting global CSR policies as these are operationalized in developing country contexts.

A common theme touched upon in the articles is that the relatively limited economic, social, and environmental gains accruing to local-level stakeholders from CSR interventions can be partially explained by the persistent failure to consider forces existent in the local context when designing and implementing CSR interventions.

Instead CSR interventions tend to still be designed to ensure upwards accountability towards developed country consumers, advocacy organizations, and media outlets in order to maintain the legitimacy of MNCs in their eyes. At present, CSR and development is thus mostly about following risk minimization strategies or internalizing the societal expectations of MNCs' home country stakeholders into core business operations. It should thus hardly come as a surprise that the economic, social, and environmental gains obtained by developing country firms, farmers, and workers participating in CSR interventions tend to be meagre.

If CSR interventions are to have greater chances of meeting their stated goals of improving economic, social, and environmental conditions in developing country settings, a re-orientation towards ensuring greater accountability downwards to the intended beneficiaries is needed. This relates not only to the ideal of "democratizing" CSR by giving the intended beneficiaries (local firms, farmers, and workers) a greater say in the formulation and execution of the CSR policies affecting their operations/lives. It also has to do with the more instrumental aim of securing a more meaningful and effective use of the financial resources devoted to CSR. This could be reached through the creation of a better fit between the design of CSR policies and the perceived needs of the intended beneficiaries.

While we are gaining increasing insights the importance of how local contexts matter for CSR outcomes, the special issue also reveals that we are at the beginning of a longer journey. A journey where we need to emphasize the multitude of ways in which

local contextual forces mediate global or Western CSR pressures in the developing world. And a journey where we, as researchers, need to take a bottom-up look at local firms, farmers, workers, and communities perceive global or Western CSR pressures as we place them at the center of future analyses CSR and interventions in the developing world.

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