Problematizing the Power of Responsibility

FROM THE EDITORS

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The Power of Responsibility

The concepts of Corporate Responsibility (CR) and Global Responsibility (GR) are reshaping the ways we think about business and society as well as about their relations. From global governance initiatives such as the UN Global Compact to local efforts of greening offices, actions are taken in many areas to mobilize organizations and individuals through the notion of responsibility in order to work towards a more sustainable world. There is no doubt that CR has become globally influential as a real world phenomenon. Much of the groundwork aiming at popularizing CR/GR has been prescriptive, focusing on 'selling' Responsibility as a powerful principle that should be adopted by all institutional actors and should lead the actions of managers and employees. Most academic literature in management tends to focus on the powerful positive changes that CR has been contributing – or may contribute – to through a very dominant focus on 'win-win' solutions. We consider, however, that it is important to not just celebrate the potential power of responsibility to make a positive difference, but also to problematize power issues that relate to the CR phenomenon. Recognizing the problematic aspects of CR, in particular those related to power imbalances and power effects in the relations between business and society, may be a first step towards limiting the risks of 'win-lose' situations that currently tend to be overlooked in CR management literature.

The papers in this special issue of EJBO were originally presented at the first CR3 conference, held at Hanken School of Economics in Helsinki on April 8-9 2011. The CR3 conference has resulted from cooperation between three business schools who have been among the first to adopt the United Nations Principles for Responsible Management Education (UNPRME): Audencia Nantes School of Management (France), Hanken School of Economics in Helsinki (Finland) and ISAE/FGV in Curitiba (Brazil). These schools work together on issues related to CR since 2008. The overall theme of the 2011 conference was 'the power of responsibility' – and this is also the theme of this special issue.

Taken together, the selected articles clearly articulate two main concerns relating to power imbalances in relations between business and society: 1) the rising power of corporations, and 2) the rise of neo-liberalism and libertarian thinking. Several recent developments in academic CR literature are explicitly problematized in relation to these two concerns. In particular, the highly influential articulations of 'Extended Corporate Citizenship' (Matten and Crane 2005) and 'Political CSR' (Scherer and Palazzo 2007) are critically discussed and argued to potentially be more in line with neo-liberalism than with the more egalitarian liberal and democratic values they are supposed to promote.

Introduction to the articles in this issue

The articles in this special issue all problematize power issues, although from different perspectives. In their theoretical article, Mäkinen and Räsänen argue that Matten and Crane's (2005) Extended Corporate Citizenship (ECC) is more in line with libertarian thinking than liberal thinking. More particularly, they show how the ECC reliance on voluntary agreements between businesses and citizens corresponds well to Nozick's (1974) libertarian articulation of a contract-society and is in stark contrast with Rawls' (1996; 2001) liberal understanding of society as requiring different relations with public and private structures. To them, this is highly problematic as the transformation in the basic structure of society that is entailed by a turn to ECC directly threatens societal background justice, freedom and democracy.

In his provocative piece, Fougère problematizes Scherer and Palazzo's (2007) proposed 'politicization of the business firm' (also expressed through the term 'Political CSR') by showing how the proposed institutionalization of a political role for firms may in fact lead to an even more 'unpolitical' (Rosanvallon 2006) society characterized by an obsession with transparency, a reliance on surveillance and systematic recourse to multi-actor governance. While agreeing with Scherer

and Palazzo on the reality of deliberative multi-stakeholder governance as an important contemporary phenomenon, Fougère emphasizes the danger of governing and regulating an increasing amount of issues through deliberative governance initiatives which tend to be constructed around oxymoronic missions – such as making the unsustainable sustainable – due to the absolute requirement of not going radically against certain business interests.

Hoskins, Martin and Humphries also take issue with neoliberalism but more broadly problematize liberal thinking: they claim that liberal rights based discourse, which sees the individual as sovereign and the pursuit of self-interest as a primary human value, makes the responsibility for others and nature secondary. They articulate their critique of liberalism by drawing on Levinas (1996; 2006) and indigenous Maori thought, suggesting that only a radical rethinking of the liberal values that guide our world may lead us towards ecological sustainability. As an alternative to the liberal notion of responsibility, they propose that a Levinas-inspired 'relational responsibility' should guide us in aiming for sustainability.

In positioning their argument, Ihugba and Osuji problematize the power of corporations and show how in many cases in developing countries (notably in the example they focus on, in the Niger Delta) corporations are not asked to 'step in' to protect civil rights – as Matten and Crane (2005) would have it – but rather they are asked to 'step out' from activities that jeopardize civil rights. They in turn suggest that a framework for Stakeholder Engagement can provide an avenue for maintaining accountability and responsibility in these types of developing country contexts. In order to develop this framework, they apply Arnstein's (1969) citizenship participation model to the relationship between corporations and stakeholders and draw on the reasons for stakeholder participation to propose the development of an inclusive Stakeholder Engagement model, which they claim could render Stakeholder Engagement measurable and lead it to positively benefit both the company and society.

How do we continue?

As the papers in this special issue clearly point out, the political dimension of CR discussion is an ongoing phenomenon offering an alternative to the traditional endeavours that analyze CR by examining CR (Basu and Palazzo, 2008). CR as a political phenomenon offers an arena for scholars trying to break through disciplinary boundaries between business ethics, management studies and political theory. As a political topic, CR may also have a history we do not know much about yet. The political approach deals with many of the hidden and marginalized aspects of CR and simultaneously offers a research terrain in need of further development. We hope the articles in this special issue encourage future discussions and developments. In order to understand the significance of CR and whether it can make a real positive change towards more sustainable and responsible economy, we feel it is our responsibility as academics to analyze and rethink and the relations between business and society in a way that takes the power issues seriously into account.

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