

Global Bio-politics and Corporations as the New Subject of History¹

*In nova fert animus mutatas dicere formas corpora
Ovidius, Metamorphosis
(I will talk of bodies changed into new forms)*

In the last three decades international and national laws had been restructured to facilitate international trade and investment flows². This global economico-judicial restructuring secured the rights of corporations and investors. A Foucault pointed subjects of rights are object of invisible disciplines. The recent avalanche of the discourse on corporate social responsibility, and the engagement of the state with this discourse triggered my curiosity, and set in motion the work on this paper.

The avalanche began circa 1999 when Kofi Annan went to the World Economic Forum in Davos to propose the Global Compact: a set of voluntary guidelines which include principles of human rights, core labor standards, and environmental management principles³. A year later, also in Davos, James Wolfensohn announced the World Bank Program on Corporate Social Responsibility and Competitiveness⁴. In 2000, following an exceptionally fast negotiating process with stakeholders, the OECD issued revised Guidelines for Multinational Corporations. In 2001 the European Commission decided to develop a CSR framework for business⁵, and in 2002 a minister for CSR was

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² For instance 95% out of 1641 investment policy changes introduced between 1991 – 2002 implied more favourable changes for foreign investors (UNCTAD, World Investment Report 2003). As shown in earlier UNCTAD reports this trend systematic grew since the 1970s. The rights of foreign investors are also protected under Bilateral Investment Treaties, and regional agreements such as EU or NAFTA. See also DeMichele, 2001 on WTO and replacing state law, <http://www.indiana.edu/~thebugle/wto.htm>

³ www.unglobalcompact.org

⁴ see <http://www.worldbank.org/wbi/corpgov/csr/>

⁵ see the Green paper and comments of stakeholders at http://europa.eu.int/comm/enterprise/services/social_policies/index.htm

appointed in the UK⁶. In the same year, Chevron signed an agreement with UNDP for community development, health and education programs in the Niger Delta; McDonald signed an agreement with UNICEF⁷. Two politically adversarial organizations, the World Bank and UNRISD are both making business responsible for fighting HIV/AIDs⁸. Only in November 2003 five international conferences to advocate, implement and develop CSR mobilized circa 2000 participants⁹. Corporations, foundations, governments, academia and NGOs are pulling time, resources and money into the CSR discourse. The seductive power of discourse on corporate social responsibility is amazing.

The politico-theoretical framework

The term corporation conveys the Latin meaning of the body - *corpus*. To incorporate comes from *incorporatio* - to embody, and to kill.

Towards the end of the 18th century man and society entered history through the juridico-political discourses of contracts and rights. French political philosopher, Michel Foucault argued the Enlightenment made Man the subject of rights, and the object of analysis, surveillance, and normalization. Juridico-political manifestations of power (law, political institutions) were accompanied and sustained by invisible micro-practices of power: norms, forms of truth, disciplines and enticements, which engaged and operated on/through the bodies of subjects.

For Foucault power is neither good or bad, nor associated with any particular locations. Rather, it manifests itself in an evolving network of relations of power operating through colliding and colluding discourses which traverse, sustain, and produce subjects and society. Subjectivities and the organisation of society are the effects of power. Human subjects are vehicles of power which structures their course action, regulates movements of the bodies, entices and provokes certain choices, while foreclosing other options. To give visibility to power invested in bodies Foucault coined conceptual devices of bio-power and bio-politics. Biopolitics came into play in 16th century in Europe, and developed over the next two centuries in a mutually constitutive relationship between modern science, the administrative state, and industrial capitalism. It did not do away with other forms of power. In Foucault's view the state, which he understood as the codification of relations of power operates by an ensemble of sovereignty, disciplines and government. Social sciences and the

also www.eldis.org/static/DOC12824.htm

⁶ see www.businessandsociety.gov.uk

⁷ In 2002 UNDP signed an agreement with Chevron, www.unwire.org/unwire/20021111/30255_story.asp. For the source on the agreement UNICEF and McDonald see Campaign for a Corporate Free UN, www.earthrights.org/un/index/shtml.

⁸ Bendell, 2003, paper available at www.unrisd.org; also see World Bank Institute, www.worldbank.org/wbi/corpgov/csr/about

⁹ www.unrisd.org, www.ethicalcorp.com

administrative state began to take account of the phenomena of population, hygiene, health, subsistence, living conditions, mobility, which “brought life and its mechanisms into the realm of calculations and made knowledge-power and agent of transformation of human life” (Foucault, 1976:143).

Biopower is a form of power and knowledge exercised by means of surveillance, regularization and normalization, that allows time and labor rather than wealth and commodities to be extracted from bodies. While sovereign powers endowed the rulers with the right to dispose of the lives of subjects, the biopower was concerned with the “the right disposition of things” to promote life as a productive force and a source of wealth. Foucault talks of two kinds of operations of biopower: anatomo-political disciplines targeting and optimizing individual bodies, and bio-political interventions targeting population. Biopolitics is best understood as a strategic game of regulatory controls over life, which allow to optimize bodies and to integrate citizens with the state and market in cost effective ways. *“The adjustment of the accumulation of man to that of capital, the joining of the growth of human groups to the expansion of productive forces and the differential allocation of profits, were made possible in part by the exercise of bio-power in its many forms and points of application” (Foucault, 1979: 141).*

While “the insertion of disciplined bodies into the machineries of production, and fixation, control and rational distribution of populations” allowed for the emergence of industrial capitalist economy as well as for the political take off of the West, the ongoing global restructuring and the take off of global governance are the effects/vehicles of the reorganization of biopower. In this reorganization the nurturing energy of state shifts from human subjects to corporations.

Foucault’s analytic of power rests on the assumption that power can only be studied through its effects. Following Foucault, I will analyze how power has been re-organized in the global economy by studying the discourse on corporate social responsibility as its effect.

In this paper I will talk about techniques of knowledge and surveillance, disciplines, controls, and seductions applied to and through different kind of bodies, the bodies of transnational corporations, and the innovations of power associated with neo-liberal government. What kind of power and knowledge relations are embodied in the CSR? Are corporations the new subject of history, and the new object of power and knowledge? Does the avalanche of CSR represent an attempt to recapture the sovereign power of the state, reorganized under neoliberal pressures? And who is killed?

In order to make sense of the avalanche of CSR and its sudden appeal I have made an archive, an equivalent of CSR family album, which includes events from the infancy of

corporations, examples of historical regulations, registers corporate statements and alarming reports, events, organizations, enunciators, and causes for which CSR was deployed, lists debunked regulatory proposals, and various not so peripheral events such as environmental, corporate and social disasters, litigation cases, and Hollywood movies on corporations as villains. It provides a light sketch of the discursive formation called corporate social responsibility. The focus is on propositions on how to become a socially responsible corporation. The most intriguing part of the archive is what it does not include.

The first part of the paper, which deals with CSR as discourse, is guided by several political puzzles. I am curious how come the sudden efficacy of critiques and the vulnerability of business? After all, the appeals to put moral rationality at the core of business¹⁰ clash with the concept of a firm as a rent seeker and profit maximiser. What explains the CSR avalanche, and the musical game of chairs when business moves into the domain of public administration and takes over certain responsibilities of the state, while the state moves into the business of guiding market with moral principles? How come that CSR captured the critics together with corporations? What were the problems CSR helped to solve that it caught like fire? And what were the combustible micro ingredients of the CSR?

In the second part of the paper I will address the relationship between visible and invisible operations of power through the CSR. I will talk of the effects of corporate performance on the bare life (Agamben, 1999) redefined in a feminist-environmental manner as human and environmental reproduction, and of how corporations have no choice but to consume life in order to make profits. Hidden, as I will show, behind the new contract with corporations is the war on living (human & non-human) nature.

A genealogical sketch

Corporations, that is the partnerships of investors incorporated as one economic actor are as old as the history of commercial capitalism. So are the problems with their compliance with law. In 1664 king Charles I sent his commissioners to the Massachusetts Bay Company to see if the company complied with the terms of the charter granted in 1628. In "An Inquiry into the Nature and Causes of the Wealth of Nations" published in 1776 Adam Smith laments corporations' attempts to control and monopolize access to markets.

From the 19th century onwards the state dealt with the social responsibility of business by means of juridical regulation¹¹. This included regulatory measures concerning occupational health hazards, minimum wages, work hours, etc, as well as establishment

¹⁰ Dutch Parliament, 2001, and Social and Economic Council (SER) report of the same year on CSR argues it should be company's core business. Dutch academic, social movement and church organizations issued "Manifesto Principled Profits, Guidelines for responsible business behaviour" to address Dutch business performance overseas.

of state inspectorates to monitor corporate performance, and to ensure compliance. The pillars of CSR's emerging regime are responsabilization of companies for addressing social and environmental effects of production, voluntary compliance and the privatization of monitoring and verification.

The concept of CSR as it now captures environmental and social performance of corporations in one discursive formation was assembled only during the last 2 – 3 years. A number of practices now constituting the CSR previously operated in loosely related political discourses. These include the discourse on codes of conduct on labor in global product chains, on corporate social responsibility addressed to business operation in the U.S. which later migrated to Europe, as well as discourse on greening business comprised of statements and reports on the environmental performance of companies. In the following sections I will discuss these three discourses and how the CSR had been assembled.

The notion of corporate social responsibility originates in the USA. While earlier uses of the concept associated it with charitable giving, as per my archive, the new discourse on corporate social responsibility began some 30 years. The discourse was enunciated by churches and accountants, the authors of articles and books on accounting for social responsibility, who established working committees on CSR by professional organizations of accountants (Estes, 1970, Tepper Marlin, 1973). In 1970s American churches put on the agenda the concept of socially responsible investment (SRI). At its core of this political strategy was the merge of profits and morals. In 1970 the United Church of Christ (Baptist and Reformist congregations), which now controls 3.2 billion dollars in financial assets, produced a report on Investing Church Funds for Maximum Social Impact, and had its first CSR staff appointed in 1971 (O'Brien, 2001). In the same year the Interfaith Centre on Corporate Responsibility was established. In 1976, the US based Reverend Leon Sullivan applied SRI as a tool in the struggle against apartheid. The disinvesting movement was successful, as the ownership of South African property went down by 70 % in the United States.

In the 1970s, 90 % of American big corporations reported on some forms of social responsibility (Estes, 1999). In the 1980s the number of companies engaged with CSR reports dropped to 3 % (Leyshon & Thrift, 1997). This drop did not create a discursive vacuum, as in the meantime CSR relocated to new initiatives. The collection of case studies entitled: "Best 75 Business Practices for Socially Responsible Companies", written for Social Venture Network by Alan Reder (1995) reflects how CSR was understood and practiced in the United States. Examples include empowerment of employees by transferring to them certain management prerogatives, providing child care, schemes for employee participation in profits, or channeling a small portion of profits into the public interest organizations. For companies, these measures paid off in

¹¹ Commenting on earlier draft of this paper Rob Gibson pointed out that there has never been purity in this approach. Measures to engage in partnerships with business accompanied regulatory regimes.

terms of generating employee commitment, enhancing productivity, and a customer niche. The approach corresponded with the shift from mechanical disciplines of the Taylorist human resource management to the reorganisation of the workplace as a flexible self-managing hub.

In order to capitalize on these gains, companies had to audit and verify their performance to the jaded and skeptical American public. CSR's ambitious best achievers, such as Ben & Jerry decided they wanted recognition, replication, and therefore audit, and became a laboratory for experiments in auditing social responsibility. Their auditor was Paul Hawken, who himself had written a very influential book on business and the environment, *The Ecology of Commerce*.

One of the pioneers in developing tools for the assessment of corporate responsibility was Council on Economic Priorities, an alternative economic think-tank in Washington, directed by Alice Tepper Marglin. In 1986 CEP published a guide ranking companies on their performance (Lydenberg et al, 1986). The goal was to provide consumers with tools to choose between better and worse performers. Inevitably, the conceptual horizon of the ranking exercise was defined by market practice and economic theory as they are. In 1989 CEP entered a strategic alliance with several American environmental organizations. This led to creating a platform for combined social and environmental assessment of corporate performance. With this move CEP contributed to the development of CSR know-how and paved way for the recent re-problematization of CSR as the social and environmental responsibility and accountability of corporations. Recognizing the demand for the verification of corporate reports, in 1997 the Council on Economic Priorities established an assessment assurance agency (CEPAA)¹².

In the early 1990s the CSR discourse migrated to Europe. When the rise of new conservatism in Europe foreclosed the avenues to regulate for social protection, the alternative think-tanks, such as the New Economic Foundation in the UK adopted CSR as a default tactic to address issues previously framed as distributive justice, and of the obligations of the welfare state.

Another constitutive element of the CSR practice are codes of conduct. In the 1980s the globalization of production and relocation of jobs to developing countries called into question wages and work conditions in these countries. Due to inadequate regulation and compliance by corporations NGOs turned to codes of conduct to tackle the abuses and "the management of labor by terror"¹³. NGO reports either deployed moral argument and human rights standards to give visibility and pass judgement on corporate wrongdoings. Simultaneously, the move to codes provided political opportunity for states to engage in problem solving without regulatory commitment.

¹² see www.cepnyc.org

¹³ Donald Katz describing South Korean bosses in Indonesia's Nike-producing factories, quoted in Ballinger, Jeff, and Claes Olsson, eds. *Behind the Swoosh. The Struggle of Indonesians Making Nike Shoes*. Uppsala & Brussels: Global Publications Foundation and ICDA, (1997:7)

The discourse on codes, (and core labor standards) relocated the problem of employment and work conditions to the 'unruly' Other: 'the South'¹⁴. The icons of child labor and sweatshop exploitation strengthened the claims to moral superiority of 'the North'. By its combined effects the move invisibilized and therefore muted protests over the loss and decline of quality of jobs in the North, denied agency to the South, and allowed the rich states to maintain privileged position in governing global economy. The shift to codes of conduct hence provided states with useful solutions to several problems at once.

The UN turned to codes of conduct by default, too. The Commission on TNCs established in 1970 proposed several drafts of the Code of Conduct for TNCs but none were ever agreed on. In 1994 the Commission dissolved itself (Gleckman, 1995) to re-emerge in a different form in UNCTAD. The FAO Code of Conduct on Distribution and Use of Pesticides of 1989 and the WHO International Code on Marketing of Breast Milk Substitutes of 1981 demonstrate the inefficacy of global codes in transforming business without a supportive regulatory environment (Hough, 1998, Richter, 2002).

Meanwhile, in popular discourse corporations were constructed as villains, which further supported their objectivisation in the CSR. The social movement organizations produced alarming reports and engaged in public actions. Corporations could not afford not to respond¹⁵. Making corporations visible to society (transparency requirements) provided a cost-efficient technique for verification of corporate statements and performance. Later on this technique allowed the state to subcontract responsibility for verifying reports and monitoring the compliance to civil society out of which a new private sector niche devoted to providing CSR services eventually emerged.

Assembling and reproblematisations of the CSR

As the debate on corporate social responsibility simmered providing a meager substitute for actions previously taken by welfare state and the labor unions, the environment as the new domain of governing was expanding. This expansion took place in response to the growth of consumer society, increases in volumes and velocity of production and consumption, and the acceleration in the accumulation of capital which required uninterrupted access and orderly management of the resource base of industrial production. In the 1980s the institutionalization of environmental discourse reached the stage which Maarten Hajer (1995) and others call ecological

¹⁴ on Southern NGO critique of the debate in core labour standards, and critique of how child labour was raised see CUTS. "Voluntary Self-Regulation Versus Mandatory Legislative Schemes for Implementing Labour Standards." Jaipur: CUTS Centre on International Trade, Economics & Environment, 2003.

¹⁵ Bruce Harrison, *Going Green, How to Communicate Your Companies Environmental Commitment* Homewood Il: Business One, Irwin. Bruce Harrison created an international company to advise corporations to deal (or not) with external stakeholders. His credo: taking charge is the only winning move after the attack. (p. xv)

modernization. With the new sets of knowledge and administrative practice to survey, make transparent and manage interactions with nature the operations of biopower over non-human life went into full swing. The trajectory of the civic mobilization for environment and sustainable development corresponded with and contributed to the neo-liberal reforms of government. The environmentalists held that regulation is not sufficient to transform the patterns of production and consumption. Their goal was to make consumers, producers, citizens, taxpayers responsible for the environment. The focus on individual responsibility was amenable to neo-liberal government, which folds away from direct interventions in safeguarding environmental integrity.

The new corporate environmental discourse on eco-efficiency, win-win strategies and greening business, which emerged in the 1980s¹⁶, emphasized voluntary approaches and self-regulation by companies, and projected the image of a green corporation which cares for the environment. The engagement with the biopolitics of care over non-human life solved several problems for corporations. In order to respond to public criticism, to pre-empt regulatory measures, to fulfill their own information needs on the costs of resource flows in the companies, and to shape friendly relationships with buyers and consumers some companies embarked on the production of environmental reports. Several organizations contributed to organize the process. They included SustainAbility, European Partners for the Environment, UNEP, and notably International Standardization Organization which developed ISO 14000 series standard for environmental management. For environmentalists in public administration, corporate environmental statements provided a vehicle to continue with the business of government after the use of command and control measures was no longer a viable option. That is why they turned to NGOs, which could develop tools to operationalize and systematize codes and reports, and auditing rules in a coherent manner. This resulted with creating quasi markets for CSR.

In the late 1980s and 1990s when money was afloat, SRI engaged institutional investors such as pension funds or mutual funds. The rise of finance as a new profit generating sector created a new hierarchy between firms engaged in material production and those engaged with financial products (Sassen, 2001). Banks and insurance agents had a distinct set of interests in promoting prudent and responsible management¹⁷ associated with CSR.

¹⁶ In 1987 this discourse was incorporated into Our Common Future, the report of the Brundtland Commission, which paved way for the Earth Summit in Rio in 1992. WCED, Our Common Future, OUP, (1987)

¹⁷ This is based on the analysis of submitted comments on EU Green Paper on CSR, which demonstrate different approaches to CSR of manufacturers on the one hand, and banks and insurance companies on the other hand. The manufacturers opposed any EU regulations of the CSR.

http://eurppa.eu.int/comm/enterprise/services/social_policies/index.htm

An interesting early take in applying the notion of corporate responsibility to the environment was the notion of extended product responsibility¹⁸. Legislation on recycling, packaging, take back schemes, as well as precautionary measures such as eco-design of products put on the producers the responsibility for the environmental effects in the product life cycle. This discourse heavily drew on extending the legal product liability framework to the environment. Given the juridico-administrative regulation of extended product responsibility this debate significantly differs from the voluntary frameworks of the mainstream CSR discourse, which eventually gained a strong ground in the policy worlds.

One of the leading social entrepreneurs¹⁹ in the field of corporate environmental performance was John Elkington who set up SustainAbility Ltd in London in the early 1980s. In 1999 Elkington wrote an influential book on greening business, 'Cannibals with Forks', which outlined the concept of triple business line (TBL) in support of the view that environmental management is good for business. To develop this argument Elkington applied the concepts of ecological, human, and financial capital, which he borrowed from the neo-liberal school of economics. His argument for the maintenance of all kinds of capital together as a coherent management strategy reframed sustainable development into a language that business could understand.

The concepts of ecological and human capital draw on economic arguments of use value, cost benefit analysis, and techniques of monetary valorizations. This shift from the vocabulary of social contracts, distributive justice and solidarity to the vocabulary of cost benefit calculation enables the deployment of market rationality to the environmental and social domains of public policy. Foucault perceived the extension of market rationality to the state as an integral part of neoliberal reform of government. "Neoliberalism", Foucault said, "promotes competitive economic behavior and the creation of entrepreneurial prudent subjects, whose moral quality is linked to the rational assessment of costs and benefits of certain action as compared to others".²⁰ CSR defined as a merger of profits and morals is operationalized through precisely this kind of arguments and assessments. Elkington's arguments directed to business speak of the compatibility of the CSR with the neoliberal rationality of marketization, and explain the appeal of CSR to corporations.

¹⁸ See for instance the website of International Institute for Industrial Environmental Economics (IIIEE), Lund University, Sweden, which played an influential role in launching the EPR concept on environmental policy agenda: <http://www.lu.se/IIIEE/OECdGroup> on Pollution Prevention and Control organised workshops, and prepared policy documents on EPR until the late 1990s, until the CSR discourse gained ground.

¹⁹ By social entrepreneurs I mean individuals and private sector organisations set up to engage in the business of government (public policy) and/or lobbying the state or international organisations on behalf of public interest as they define it.

²⁰ From the summary of Foucault's unpublished lecture by Thomas Lemke, 2001; paper available at URL: <http://www.worldbank.org/research/inequality/pdf/lemke.pdf>

The 1990s mark a steady growth in corporate environmental reports²¹. While many of these reports were produced in a self-congratulatory tone, they have had an important normalizing effect, too, as they made the environment an acceptable topic for business. Corporate engagement with environmental reporting provided yet another boost to the demand for setting standards, techniques and methods of reporting, auditing and verification. At the same time the proliferation of different kinds of reports called for coherence. Striving for global coherence became a cost efficient solution for companies, which would rather do one comprehensive social-environmental-human rights report than the three of them. The growth in corporate reporting practices required coherent assessment criteria and verification techniques, and eventually led to global synchronization of environmental and social reporting, consolidated in the GRI guidelines for integrated reports launched at the Johannesburg Summit (WSSD) in 2002²². A year earlier John Elkington announced the end of the corporate environmental report, which evolved into an integrated report fulfilling triple bottom line for reporting on the management of financial, natural, and human capital. This particular moment of bringing the social and environmental reports and audits together constituted one global CSR framework.

Finally, in the late 1990s the discursive formation on corporate social responsibility as we know it now was assembled from the discourses on codes of conduct, corporate social responsibility, and environmental and social reporting. These different discourses shared the methods and techniques to analyze, audit and verify corporate social and environmental responsibility. In the introductory part of the paper I described what followed after this moment of consolidation as the rapid avalanche of the CSR.

In the previous stage of CSR the practice comprised of codes, reports, assessments, and audits applied in the market domain. The launch of the Global Compact and the partnerships between corporations and the UN relocated the CSR discourse to the domain of the state and inter-state organizations. This was the moment when CSR became dangerous; it now provided a substitute to fill in the gap opened when the neo-liberal state turned away from the direct responsibility for the social²³ and for the

²¹ In its 3rd survey of corporate environmental reporting “KPMG found that of the 1100 companies included in the 1999 survey 24% (267 companies) produced an environmental or Health, Safety and Environmental (HSE) report compared with 17% in 1996 and 13% in 1993. The sectors showing most activity were the high risk, high impact categories: chemicals and synthetics (59%), forestry, pulp and paper (55%), utilities (55%), oil and gas (53%), pharmaceuticals (50%), mining (47%), automotive (38%) and transport (33%). Interestingly, the rate of reporting by country increased in all cases between 1996 and 1999, except in the US, where reporting dropped from 44 to 30%. Countries’ reporting rates per top 100 companies (1996 figures in brackets) were Germany 36% (28), Sweden 34% (26), UK 32% (27), Norway 31% (26), US 30% (44), The Netherlands 25% (20), Australia 15% (5) and France 4% (0)”. From Wheeler and Elkington, 2001. However, these numbers have to be seen in the context of a total of 65 000 corporations (UNCTAD, in Utting, 2000) and some 1000 corporations which signed the ICC Business Charter on Sustainable Development in 1991 (Gleckman, 1995)

²² see www.globalreporting.org

²³ for the definition of the social as the space of regulatory politics see Donzelot, 1991

environment²⁴. The contents of the labor codes show that the commitments to compliance with existing international and national legal standards (e.g. on minimum wage, and the abolition of child labor) constitute the core of the codes, while the monitoring and verification of compliance is done by civil society or private sector organizations. In the past the establishment of standards and the supervision over compliance was the job of the state²⁵. Now the state has not only withdrawn from care over the lives of citizens, it gradually shifted to nurturing the profit making capacities of corporations. One of the strategies was the re-regulation of labor markets, for instance increase in temporary, part time employment, the decrease in the minimum wage level, or low hourly wage rates, which create categories of the working poor, people who are living at the level of survival or bare life, to borrow from Agamben (1998). In China for instance the minimum wage is 0,51 c per hour, while the living wage is 0.87 c per hour. Mattel, Inc. (the producer of the Barbie doll) pays the minimum wage and was verified as the socially responsible corporation in an audit performed by an independent academic consortium²⁶. What was possible to certify within the CSR framework was the compliance with local legal standards, and not the responsibility for paying wages that allow workers to meet their basic needs of nutrition, housing, education, health care, and to support their families. This brings me to the other dimension of the dangerousness of CSR: its implicit proposition to remedy the social and environmental effects of neo-liberal reforms. In the following section I will argue that CSR is a constitutive part of these reforms.

Neoliberal bio-politics

As we know from Foucault the main preoccupation of modernity was the surveillance of subjects. CSR and other new requirements and techniques of corporate reporting²⁷ provide tools for the surveillance of corporations. The development of CSR standards (guidelines for reporting and auditing, performance indicators, assessment and verification) displays both striking similarities as well as differences with the techniques

²⁴ For a detailed critique of CSR as substitute for regulatory state see Utting, 2000.

²⁵ See for instance labour codes in garment and footwear industry, www.fairlabor.org, or benchmarks for measuring business performance by the Taskforce on Churches and Social Responsibility <http://www.web.net/%7Etcrr/benchmarks/index.html>. These codes establish the compliance with existing laws as the yardstick as the yardstick of corporate responsibility, and the new CSR enabling industry takes over the role previously performed by the state. Concerns have been raised whether codes and monitoring groups are not becoming a privatized alternative to state enforcement of national law, or a replacement for the declining role of the state in providing social protection to all citizens. (Yanz et al, 1999)

²⁶ See the audit at the Matel website www.mattel.com, and the critique of it at <http://www.amrc.org.hk/Arch/3701.html>

²⁷ These include various techniques which developed with the rise of shareholder capitalism: for instance ranking of corporations by Poor & Moody, production of research by Wall Street firms assessing the shareholder value of firms, corporate reporting required by Securities and Exchange Commission in the United States, or the recent Sarbannes-Oxley Act of 2002 in the USA, which enhances the visibility of corporations, and provides blueprint for corporate reporting. Own reports and press releases by corporations respond to these requirements.

of bio-power developed in the 18th and 19th centuries to operate on/through individual human subjects and populations.

In order to make responsible investment decisions, church organizations and other groups with interest in CSR as well as institutional investors, had to compare and analyze different companies and portfolios. The demand for new knowledge on corporations was met by a new kind of experts and professional non-governmental organizations (such as above mentioned CEP or SustainAbility). This created new know hows (savoirs), including tools such as assessment techniques, benchmarks, indicators, verification and certification measures to assess both companies and their assessors. They offered responsible investors, and more importantly corporations themselves, a conceptual package and a set of tools to become a socially responsible corporation. By 2002 over 60 % of global corporations reviewed in one of the CSR surveys complied²⁸. It is amazing with what ease and acceptance powerful corporations such as Shell or Microsoft responded to the requirements to confess and delivered social and environmental reports.

Michel Foucault marveled on the continuity, (or sustainability, as he would have called it now had he been alive) of pastoral power. Foucault traced the emergence of this kind of power from “ancient “oriental societies” to early Christianity and described it with the model of a shepherd and his flock. He contrasted this model of governing with the metaphor of the city and the citizen which he associated with Greek antiquity. The shepherd has to take care of the flock, to make sure that it is secure, to count, to steer and to regulate the reproduction of the flock. This form of power was exercised in the household (oikos) and with the invention of political economy in the 19th century it informed economic theories and the organization of markets.

Foucault established historical continuity between Christian confessional techniques, and the techniques of hierarchical observation at a distance generated with the scientific gaze and deployed by the welfare and development state to manage the lives of populations in its care. “We must produce truth as we must produce wealth, and indeed we must produce truth in order to produce wealth”. (Foucault: 1979:94).

Techniques of observation and confession invest power in visibility and engage subjects in their own subjection. Codes of conduct and the micro-practices of corporate reporting, assessments and audits of corporate social responsibility operate as disciplinary and normalizing techniques. Previously deployed on human subjects and for the bio-political management of populations, they now target corporations. At the same time corporations are led to shepherd the social and to safeguard the environment when states move to new pastures, away from “taking the obligation

²⁸ In their December 1994 survey "Green Keiretsu" published in *Tomorrow Sustainability Ltd.* identified 40 major green business networks. Sustainability Report, 2001 states that over 60 % of big corporations put social and/or environmental reports on their websites. This data reflect a marginal number of corporations of which there are 60 000 as reported by UNCTAD in Utting, 2000.

for taming the unwanted consequences of industrial life” (Rose, 1996: 39). Given the reorganization of business into global product networks corporations as shepherds are disciplining subcontractors, and at another plane, consumers²⁹.

The engagement with reporting, assessments and audits provides rewards to corporations. It should be noted that when the Body Shop initially did not submit to the audit it was punished with a media scandal (Reder, 1995). This immunity granting role of audits was explained by Nikolas Rose in the following manner: “(a)udit became one of the key mechanisms for responding to the plurality of expertise and the inherent controversy and undecidability of its truth claims” (Rose, 1996:55). Thus audits substituted for distributive justice.

Intimately linked with the operations of pastoral power in the CSR is its capacity to mobilize longing for a stable social order, for excluding the bad flock, and rewarding the good ones, for security and predictability. The image of the responsible corporation, the good shepherd, is difficult to refuse³⁰.

Like biopower operating during the take off of industrial capitalism and the liberal administrative state, also today the deployment of these techniques makes corporations into objects of analysis and surveillance. CSR, too, is simultaneously individualizing via disciplines and confessionary techniques applied to individual corporations, as well as totalizing because it provides a global template for calculating and auditing CSR, which is compatible with regulatory politics in other domains where neoliberal governmentality is deployed³¹. North or South, it becomes a preferred policy of governments to deal of social and environmental effects of production. Corporations, too, are engaged in their subjection, but on different terms than human subjects.

Companies are provided with a generic code on how to perform corporate social responsibility, and how to verify their performance. They have helped to design these techniques themselves. Simultaneously civil society is reframed and disappeared in the process of being customized as stakeholders. The state is involved in institutionalising this form of self-government, for instance by initiating and providing start-up funding support to new audit and assurance organizations. New organisations, such as Accountability, operate as private companies. Creating a quasi

²⁹ Their position in the global economy is further enhanced by the role corporations play in the biopolitics of consumption, where disciplines and seductions operate on/through the bodies of consumers, and make consumption into a domain of capital accumulation.

³⁰ The survey recently conducted by Burson-Marsteller consultancy on human rights, the environment and community service NGOs in the US reinforced the opinion of the critical role that CEOs play in building corporate reputation. The majority of interviewed NGOs (66%) believe that the chief executive, more than any other institution, bears the greatest burden for restoring trust in corporate America. In the same survey only 44 % of corporate reports were considered believable.

<http://biz.yahoo.com/prnews/031113/nyth053-1.html>, 29.11.2002

³¹ See the chart on neoliberal governmentality in the annex

market for CSR entails the reorganization of the CSR practice. The new business actors now displace tasks previously performed by social movements and church based organisations and by governments themselves.

This displacement of tasks goes hand in hand with the transformation of governmental technologies. Corporations no longer have to comply with regulations (as in the command and control stage of environmental policy), or meet certain targets (as in the covenants with industry). All they have to do to be green and socially responsible is to constantly subject themselves to audit.

It is interesting how these technologies correspond with the ones deployed to produce neoliberal subjectivities. Here I would like to follow the train of ideas put in motion by Foucault and followed by Cruikshank, (1996, 1999) Dean (1999), Donzelot (1991), Rose (1999), and others, who have analyzed the emergence of neoliberal governmentality, and its effects on subjectivities. Strategic to the reorganization of bio-power is the responsabilization of subjects (Rose, 1999). Human subjects are encouraged to be flexible and entrepreneurial, to permanently improve themselves, to invest in their bodies as a form of human capital. Of particular interest are studies by Dean (1996, 1999) and Cruikshank, (1999) on the post-welfarist governmentality of the social. These studies show how the unemployed are governed by technologies of agency and performance, which empower them and provide them with know-how to seek jobs by themselves. The focus is not on providing jobs, but useful engagement of the unemployed in job seeking. Similar technologies of agency and performance have been applied to steer corporations to take responsibility for the social and for the environment.

In this respect CSR discourse co-generates landscapes of corporate control, together with measures such as the ranking by credit-rating agencies, stock performance comparisons, Wall street firms advisories to investors and other forms of market research, regulations by stock exchange governing bodies, or state such as the Sarbanes Oxley Act of 2002, adopted in the United States in the aftermath of the so called Enron scandal that disciplines corporations to make themselves visible to investors and governmental bodies in a much greater and more integrated form than before.

Engagement of human and corporate subjects with these technologies or fitness landscapes (Thrift, 2001) generates flexibility and responsiveness, and enhances their capacities to mobilize for accelerating accumulation of capital and intensified work³². These innovations of power reflect continuities in the adjustment of bodies with the new forms of accumulation of capital³³.

³² On changes towards post-fordism and flexible accumulation see Amin, 1994, Lash & Urry, 1994. On intensification of work see Burchell et al, 2002); on theorizing social and environmental effects of speed up in the accumulation of capital see Brennan 1997 and 2000.

Corporations are not the objects of invisible norms and disciplines, as was the case of human subjects in the 19th century. Financial reports that the corporations have to submit to shareholders, and to the bodies such as Securities and Exchange Commission in the USA deploy disciplines and visibility techniques, which require corporations to make themselves transparent to investors and governmental regulators³⁴. CSR reporting practice fits well with the way corporations are steered to govern themselves. The methods and techniques for reporting, assessments and audits have been either produced by corporations themselves, or at least the processes of designing these techniques were made transparent to them. The CSR discourse reflects the reorganization of visibility from panoptical asymmetrical, hierarchical observations at a distance (Foucault, 1974) to synoptical visibility (Boyne, 2000). The corporations, social entrepreneurs promoting and performing CSR, organizations such as UNEP and to some extent ISO are operating in conditions of mutual transparency³⁵.

Another strategic and dangerous moment in the recent history of CSR came when permanent responsiveness to stakeholders became a part of the AA1000 accountability standard³⁶ and the CSR A8000 assurance standard. The conceptual and political reorganization of civil society on the basis of calculable interests as stakeholders provides a common platform for negotiation with business but at the same time the causes of problems and the terms of the dialogues are not for negotiation. This move tends to exclude politico-epistemological positions incompatible with neoliberal rationality. The inclusion of procedures for customizing differences (stakeholder negotiating formats at the UN, or responsiveness to stakeholders as assurance requirement for CSR audits and for private-public partnerships³⁷) allows to lock resistances and the corporate power they oppose in a permanent dialogue. Since at the face value corporate social responsibility appears to be addressed, blame has been assigned, and procedures for absolutions by audit set in motion, there is no need for any more critique or debate. The problems have been resolved and former critics are kept busy engaging with solutions. CSR in this case can be understood as a generic model for the production and reproduction of neoliberal government of the social and the environment ad infinitum, or as long as the dialogue is not on the substantive effects of corporate performance on livelihoods, social reproduction and environment, but on

³³ "The adjustment of the accumulation of men to that of capital, the joining of the growth of human groups to the expansion of productive forces and differential allocation of profits, were possible in part by the exercise of bio-power and its many forms and modes of application. (Foucault, 1978:141)

³⁴ For instance the previously mentioned Sarbanes-Oxley Act of 2002, which prescribed new standards for corporate accounting and auditing and made corporations much more transparent to the Securities and Exchange Commission, the investors and the state. The Act established tougher penalties for white collar crime.

³⁵ The transformation of operations of biopower from panoptical to synoptical form is discussed in the article by Boyne (2000). While arguing about the rise of the new modus operandi of power based on synoptical visibility, which he calls post-panopticism, Boyne emphasizes that in some other areas panoptical disciplines actually enhanced, e.g. in the surveyance of consumers (Lyon, 1994)

³⁶ See at <http://www.accountability.org.uk/aa1000/default.asp>

³⁷ See at Partnerships Accreditations Scheme, PBAS web-site: www.odi.org.uk/pppg/pbas/index.html

norms and techniques and methods of reporting and verification, and whether corporations comply with them.

The analysis of CSR discourse shows a political technology and a recombining discursive matrix through which neoliberalism settles in societies to play an autopoietic role actualizing the desires of its masters for society and the economy to become one bio-cybernetic market machine that operates indefinitely. This is neoliberal dream come true as it makes the role of the state redundant in the governing of the social and of the environment. Human subject, states and market are realigned and reorganized into a new entity centered on the goal of multiplication of financial capital.

Is there an end to means deployed to perform corporate social responsibility? If so, we can read it by analyzing the avalanche and consolidation of CSR from the perspective of its effects on the real³⁸.

Bio-politics and bare life

To live, people cannot be killed: they need water and food, they need shelter, they need an environmental base for their livelihood or access to living income in urban environments, they need to develop sexual relationships and other rudimentary relationships with people for mutual support and economic exchange. This is the form of life which was defined in Greek antiquity as *zoe* (in contrast to political life defined as *bios*). *Zoe*, naked life, constitutes the survival base line of human existence³⁹. Political life is for negotiation, the bare life is not, it can live or be killed. *Zoe* has always been politically regulated. To kill life with impunity required the suspension of law and juridical order⁴⁰. I propose to reframe bare life as the basic necessities of social and environmental reproduction, and I would like to do so by integrating certain conceptual insights from feminist and ecological economics.

³⁸ I borrow this strategy from Jean Baudrillard, 2000

³⁹ In Greek *Bios* is life. The etymology of the Greek word life reflects the two Greek words *ZO* (to live) and *BIOO*, to lead a way of life. They both originate from the same common indo-european root *EBIOON*. In Hellenic and bible studies *Bios* is seen as a purposeful, rational life, the social life, the manner of life, means by which life is sustained. In ancient Greek thought it could not be applied to plants or animals but to the lives of men, and denoted the political life (Bakaoukas, n.d. http://ancienthistory.about.com/library/bl/uc_bakaoukas4a.htm) In contrast “*ZOE* denotes in Greek the physical vitality of organic beings, men, and also plants (Bultman quoted in <http://prairieviewchristian.org/Greek%20Word%20study/Zoe.pdf>). In Greek antiquity *ZOE* is associated with immortal souls and gods. According to Aristotle (Trench, in *ibidem*) the slave is “a partner of *zoes*”, but not “a partner of *biou*” – the carrier of his master.

⁴⁰Giorgio Agamben, Italian political philosopher problematized the relationship between sovereignty, power over death and power over life, and argued life has always been captured in the juridico-political order. In his view political life (*bios*) has always been constituted at the expense of bare life (*zoe*). (Agamben, 1999, 2001, 2003)

In the discourses of feminist economics the base line of human existence is analyzed as social reproduction or the care economy (Elson, 1994, Sen, 1994, Katz, 2001, Pearson, 2000, Pietila, 1997). While some of this caring work in raising children, taking care of the sick and the elderly, cleaning and feeding the households has been monetized and is done by the market, the bulk of it is carried out by women in the households. Poverty, work intensification, and job insecurity stretch and eventually exhaust the buffer function of the care economy. Firms pay the costs of social reproduction of labor only to a certain extent. When living wages are not paid households, and in particular women, subsidize business. Under the solidarist welfare regime some costs of social reproduction, and later environmental remediation costs have been shared through the public budgets and the state. The neoliberal state responsabilizes individuals and households. In the neoliberal theory of labor human body is seen as a form of capital, in which individuals are expected to invest and to generate returns on investment. Entrepreneurial constitution of subjects entails risks. Subjects are responsabilized to take care of risks by insuring themselves. This in turn generates liquid capital for corporate investments.

Ecological economists talk about regenerative and carrying capacities of ecosystems, and establish pollution thresholds. The founding father of ecological economics, Nicholas Georgescu Roegen (1971) argues that economic processes are analogous to one way flows in production and consumption, with resource streams entering and waste streams leaving the systems. Matter and energy available on the Earth's crust are used up by economic activities and dispersed from high to low entropy. A given amount of entropy can be used only once. A reverse process is not possible. Environmental costs of business have historically been left out of firms costs of production, and have been paid from the budgets provided by the state, by local communities individuals. Ecological economists propose to cost the damages to the environment, and to internalize these costs in product prices, and in firms' and national accounts⁴¹.

Economic globalization and related technological and organizational changes increase the scale and speed of production and consumption. This in turn leads to increased claims on time and energies of bodies and nature that are used as resources for economic growth. In the CSR archives one would look in vain for statements of business and its auditors concerning the effects of corporate performance on social reproduction. People are abundant. They are no longer the kind of wealth that requires to be conserved to enhance the sovereignty of the state.

In congruence with the dominant calculative approach I propose a modest means of establishing the social and environmental costs of global production and consumption with a method of cost calculation poached from neoliberal discourse, which has the predilection for cost benefit analysis and frames people and environment as human and ecological capital.

⁴¹ For an overview of ecological economics see Gowdy and O'Hara, 1995.

For my case study I take the treatment of human and ecological capital by the electronic industry. IT companies figure prominently on the Dow Jones Sustainability Index, FTSEgood4 list, and score quite well in the UNEP dossiers of corporate environmental reporting. IT has the reputation of being a clean and weightless business. Microsoft, which ranks number one at the London stock exchange list of good companies, as well as other IT companies such as Hewlett Packard, for instance, are considered exemplary socially responsible corporations. Let us therefore reverse NGO strategies of targeting worst performers, and constantly improving the CSR, and investigate it at its best.

In the following sections I will suggest a matrix for calculating environmental and social costs of the production and consumption of a computer. For this purpose I deploy the life cycle analysis, a back-casting tool to establish where does a product come from, and what its production entails. In the ecological life cycle analysis the identification of costs begins with the extraction, and then processing of resources. The life cycle analysis then proceeds to manufacturing, to marketing and distribution, to product use, to disposal as post-consumer waste. While as the focus of ecological economists is on environmental costs, here I add social costs at each node of the product chain. In this reformulation life cycle analysis becomes a critical product genealogy, a recovery of its subordinated history.

Let's start with the extraction of resources. The production of a 4 kg laptop requires 433,6 kg of abiotic (mineral) materials, and 5955 l of water (von Geibler et al, 2003:24). Abiotic materials include oil to produce new synthetic chemicals, and for the supply of energy, as well as rare metals for computer chips. There is no free lunch with extractive industries, which provide few local jobs for the livelihoods they destroy⁴². The pressures for resources represent a submerged and relentless drive of the global economy. Even if production becomes less resource intensive, the increase in the volumes of production driven by obsolescence and the growth in the demand for IT products by the state, market and civil society, cancels the eco-efficiency gains. The extraction of oil, rare minerals and other resources required for the production of computers is associated with resource wars (conveniently packaged in the global media as ethnic conflicts). In places such as the Democratic Republic of Congo people are killed for the rare metal, coltan, so that global consumers can use their mobile phones. In other places, such as New Mexico or Arizona in the USA, or the Niger Delta,

⁴² In December 2000, the International Monetary Fund's (IMF) quarterly magazine, *Finance and Development*, featured a World Bank study, which stated, "oil, gas, and mining projects could be a boon for developing host countries, yet their environmental and social costs often outweigh their benefits" (McPhail, 2000), quoted in Heike Mainhardt-Gibbs, *Assessment of the Structural Adjustment Linkages to the Extractive Industries and the Role of the World Bank Group*, 2003, unpublished manuscript, URL, <http://www.panda.org/downloads/policy/eirsalsummarydec03.doc>, see also www.eireview.org

people are disappropriated from water and/or land on which their livelihoods depend⁴³.

The production node does not have a good environmental and social record, either. "Few people realize that Silicon Valley, the birthplace of computer industry, is also home to the highest concentration of hazardous waste sites in the United States" (Young, 1993). New mixes of toxic substances pose serious human and environmental health hazards. (LaDou, 1985, Ayres & Ayres, 1996). This translates in the adverse effects on quality of life, and value of property.

The review of epidemiological literature of the last two decades⁴⁴, and case studies of social, environmental and occupational health problems in the Silicon Valley, New Mexico, Scotland, Sweden, and Malaysia demonstrate the range of health effects, such as neurological disorders, allergies, alleviated cancer levels, birth defects, miscarriages, stillbirths, and suppressed libido⁴⁵. Clean rooms, in which chips are manufactured, and safety suits protect products from contamination, not workers. Of course from the survival standpoint to have a toxic job which kills you slowly is better than not to have a job at all.

In the Philippines there are no waste treatment plants to process affluent from semiconductor factories⁴⁶. In New Mexico, the USA, the government agencies such as NM Occupational Health and Safety Bureau are unable to enforce workplace safety and health standards and laws. The OHSB has only a dozen inspectors for thousands of workplaces throughout the state⁴⁷.

The manufacturing and distribution of computers is transport intensive. The components used to assembly an HP Omnibook 500 for instance, come from Japan, Taiwan, Germany, Philippines, and China⁴⁸. The product miles entail environmental costs.

The consumption node entails health hazards and poses environmental pressures, too. The use of computers, e.g. in office work or work in the call centers carries the risks of neurological effects of exposure to radiation and muscular problems such as carpal syndrome⁴⁹. Computer use is energy intensive. By early 1990s computer associated energy consumption in the United States equaled the total energy use in Brazil. In the

⁴³ Renner, 2003

⁴⁴ Fischer, 2002

⁴⁵ Chee Heng Leng, 1994, La Dou, 1985, Fischer, 2002

⁴⁶ von Moltke et al, 1998

⁴⁷ SWOP, 1997, see <http://www.corpwatch.org/issues/PID.jsp?articleid=3442>, or www.swop.net

⁴⁸ von Geibler et al, 2003

⁴⁹ Ng & Munro-Kua, 1994, Pearson, 1995

next decade computer use doubled but the power consumed increased by the factor of 13⁵⁰.

Given fast obsolescence in the computer industry (an average product lifespan of three years) computers now constitute the biggest single source of heavy metals and other toxics in the solid waste stream⁵¹. An estimated 50% to 80 % of electronic waste collected for recycling in the Western United States ends up shipped to developing countries. Scrap brokers in China are the biggest buyers⁵². There are documented neurological, carcinogenic, and reproductive toxicities of lead, arsenic, hexavalent chromium, polybrominated fire retardants, barium, beryllium, mercury. Computers contain these chemicals⁵³. Hence the recycling sites are poisoning human and non-human life.

Due to political male privilege⁵⁴ and gender division of reproductive labor in the household as well as between households, the market and the state, women are at the receiving end of the social and environmental costs of the global economy⁵⁵. Given the international gender division of labor in the computer industry, these costs are skewed to women workers in/from countries such as China, Malaysia, the Philippines or Czech Republic (where jobs in chip manufacturing have recently moved from Scotland), and to the impoverished people and people of color in the US. In the Silicon Valley, home to the semiconductor industry, 45 % of population is Latino and Asian or Pacific Islander.

Women's work prevails not only in semiconductor manufacturing, board and computer assembly, but also in call centers and office work⁵⁶. Feminist researchers have demonstrated gender wage gaps, occupational health hazards, sexual violence in the workplace, as well as the larger share of the responsibility by women for the care economy of the household where human reproduction is taking place on top of their paid work⁵⁷. At the same time for many women these jobs allow them to escape rigid patriarchal-matriarchal grids in the household and provide livelihood to support families.

The life cycle costs should also include global environmental costs and political costs. The introduction of IT increased the velocity of production and consumption, which in turn generated higher demand on human and environmental resources with the social

⁵⁰ Young, 1993, Nadeau, 2000

⁵¹ see <http://www.thegreenpc.com/the.htm>

⁵² Shoenberger, 2002:3

⁵³ See for instance www.svtc.org, www.ourstolenfuture.org,

⁵⁴ On sexual contract which underpins all other contracts, and man as subject of history see critiques for instance by Pateman, 1988, on critiques of economic man and Davos Man see Beneria, 1999, on care and reproductive economy Sen, 1994, and Elson, 1994, Pearson, 2000

⁵⁵ Pearson, 2000

⁵⁶ ILO, 2000, Mitter 1995

⁵⁷ Ng & Mungo-Kua, 1994, Freeman, 2000, Izakson, 2002, Mitter, 1995

effects described above⁵⁸. In the context of competition for resources and markets some states pursue economic policies with military means. IT enhanced the capacities for panoptical surveillance of consumers and citizens, and generated new capacities to pinpoint and categorize political discontent, and to kill at a distance⁵⁹. These capacities allow the state to intervene when there are glitches in the bio-political security matrix.

This short summary of the life cycle costs of one industry was not meant to put the blame on IT companies or corporations in general but to show that the problems CSR proclaims to address are actually beyond the boundaries of discourse of corporate responsibility. They are also beyond the reach of individual companies, and should be dealt with by the politico-judicial system of the state and by binding international agreements. Companies generate value by competing over their individual capacities to externalize social and environmental costs. Within this kind of market system, if corporations internalized social and environmental costs they would become bankrupt⁶⁰.

In the every day life of firms, overproduction, competition for market access and share of the market, corporate competition for and dependence on credit, a short time frame for returns on investments, and global economic volatility all decrease room to maneuver towards social responsibility. This can be remedied only by governmentality reform. Within the current value generation and competition systems firms have no choice but to consume and kill life in order to make profits.

The CSR discourse founded on the principle of merging profits and morals, does not investigate systemic problems in the generation of value. The spotlight is on individual companies. I have in part explained it by referring to the operations of pastoral power which individualizes, surveys and differentiates between the good and bad flock, assigns blame, offers confession as the road to redemption, and absolution by audit. Individualizing and normative approaches are static and do not lend themselves to the analysis of processes and power relations, which are contested and dynamic. As Foucault argued pastoral power has historically been imported from the economy of household (oikos), to the economic theories and regulations of markets, and subsequently to the organisation of the global economy. It has been concerned with the maintenance of the flock, the household or populations as sources of wealth. Nowadays the source of wealth and the goal to which pastoral power is deployed is the maintenance and multiplication of financial capital and corporations as value generating machines.

⁵⁸ Schoenberger, 1994, Sonntag, 2002

⁵⁹ Dillon and Reid, 2001

⁶⁰ Ralph Estes calculated net profits of American corporations at: \$ 714,000,000,000 and the net loss (costs externalized to households, communities and taxpayers) at \$ 2,337,000,000,000. Most corporations would be out of business if they paid their way. See at www.stakeholderalliance.org/corpcosts.html. The problems in implementing CSR from the perspective of the firm are also investigated by Crouch, 1995.

According to the theory of value developed by Karl Marx (1993) profits are made because of what labour adds to production. Marx attributed the sources of profits or surplus value to the difference between what labour added to production within a given time and the time it takes to maintain and reproduce labour-power. Teresa Brennan reworked this theory by introducing the concept of interactive economy linked by the exchange of energy in the living (human and non-human) nature. She argued that the reproduction of labor power cannot take place without or outside the cycles of natural reproduction. Capital intervenes in these cycles, and draws on energy to turn living nature into commodities and money. Value is therefore derived not only from time and energy provided by human labor but from the energy provided by nature as well.

Theresa Brennan's theory of energetics (generation of value by extracting it from time and energies of human bodies and nature, which she calls living nature) shows that adding value to money requires the input of living nature (human and non-human) into products or services. In these processes control over time has been augmented by an ever increasing spatial expansion. The range and speed in circulation of capital is key to how surplus value is extracted and profits are made (Brennan, 1997, 2000, 2001). Speed and expansion increase pressures on living nature. Life is consumed and killed in the processes of the reproduction of capital. Those without spending power are redundant human waste. Hidden therefore behind the caring face of biopolitics is its double, the control of life by means of dispensation of death.

Summary and conclusions: CSR and the politics of resistances

The notions of sustainable development and corporate social responsibility mobilize the longing for a fair and stable world order, for security and justice, for the world governed by a fair shepardess. As this investigation showed the CSR came "from below". It was offered as a solution to the ethical problems of investors, provided opportunities to put on the political agenda the social and environmental costs of profits, and mobilized American churches and civic activism. Given its individualising and responsabilizing tactics CSR fitted well with and co-generated neoliberal mentalities of rule, and was usefully deployed to respond to the demands for addressing social and environmental effects of production in the times of global marketization. Just as businesses could not afford not to respond to the opportunities for self-regulation, critical social movements had few other viable tools to communicate discontent. For critical social movement organizations the engagement with the codes provided visibility to injustice and an albeit imperfect but politically viable means to address it. They hence engaged in the critique and improvement of labor codes and environmental reports. Organizations such as Clean Clothes Campaign or Food First Network offered good codes in place of bad codes, and produced alternative reports performing what Foucault calls strategic reversals in the truth games between power and resistance. For

the above mentioned organizations CSR is but a tool which they took up by default. They has no choice but to invest time and resources in the CSR discourse. The engagement in the politics of reversal (good codes in place of bad codes) allowed to articulate discontent but at the same time held power and resistance in a mutual embrace. The turn of civic organizations to codes of conduct and environmental reports demonstrates Foucault's point on the productive role of power and its role in structuring the field of action of ruled and rulers alike...

The engagement of civil society contributed to strengthening and expansion of the CSR discourse, which structured political discontent as a response to itself. Reacting to self-created demand for audits and auditors a new marketised sector emerged within civil society to provide such services to corporations. Opening space for development NGOs as a new actor in the labor market politics upset the monopoly and therefore bargaining power of trade unions in this field. Reframing and reorganizing social actors as stakeholders positioned them inside the corporate orbit. Neoliberal governmentality transformed civil society together with market and the state.

The CSR discourse captured the attention of state and inter-state organizations and was reproblemized and assembled as the solution to social and environmental problems of the global economy. This took place as the critiques of the social and environmental effects of global neoliberal economic restructuring were gaining ground⁶¹. For state and interstate organizations it solved several problems at the same time: (1) it offered a low cost response to the critique (2) it offered a way to subcontract the governmental responsibility for the social and of the environment by way of responsabilizing corporations and involving civil society in monitoring and compliance (3) it ensured the security and sustainability of the state itself as it allowed the state 'to hold out'⁶² and to maintain its sovereignty in governing the lives of populations and fostering the growth of corporations.

CSR pulls the actors and spectators alike into a virtual performance of social responsibility, substitutes solidarity, and renders invisible what is happening at the level of bare life. CSR as discourse resolves the problems symbolically in order not to resolve them practically. It operates as a concealment⁶³ of the effects of global production and consumption on the real, so that they do not have to be addressed and the system of the multiplication of capital can go on ad infinita.

⁶¹ The avalanche of CSR in the late 1990s corresponds with the emergence of global coordinated protests such as the Jubilee Campaign, or World Social Forum, Public Eye on Davos, and The mobilisation of civil actors during the G8, WTO ministerial meetings and the World Bank Annual Meetings. See for instance de Angelis, 2003.

⁶² from Kantorowicz and Foucault quoted in Gordon, 1991:9

⁶³ Baudrillard, 2000, in his analysis of Watergate pointed out that framing it as a scandal allowed for concealment of the very properties of the system that the Watergate revealed. Per analogy the recent Enron and Martha Stewart trials are not scandals but displays of neoliberal corporate governmentality. It is not surprising therefore that one of the Enron bosses accused of stealing from state and cheating shareholders passed the lie detector test.

The key to understand CSR as a spectacle and a strategic game is the character of corporations, their double persona, the one that is audited and verified as caring and moral in CSR, and the other one that is charged with making profits. The concentration of wealth in corporations, and their role of value generating machines makes them a new object of pastoral care of the state. It also provides them, however, with a leeway to exercise agency vis a vis the state or inter-state organizations to a much larger degree than was available to individual human subjects in the wake of biopower. Corporate subjects will not turn into docile subjects. They have learnt how to play games with states.

For corporations the engagement with CSR discourse allowed to prevent regulation by governments. At the same time CSR techniques allowed corporations to shift the responsibility down the product chain, and to discipline subcontractors. Since the CSR debate is about child and prison labor, unpaid minimum wages and sweatshops, or destruction of livelihoods and violations of human rights by individual corporations in the South, the systemic logic of the reproduction of capital is not addressed, the rich countries are off the hook, and colonial inequalities in power relations are maintained. At the same time the objectivisation of the South invisibilized miseries in the North. This move contributes to maintain the security and sustainability of the current system of generating value and making profits.

From a feminist point of view, the disembodied CSR discourse speaks in the Master's Voice. The gendering of the CSR can only be rendered visible by reading the effects of corporate activities on social and environmental reproduction. Neo-liberalism offers to empower feminine consumer subjects, and legitimates their entry to labor markets at the price of steering women to become economic man (Young, 2000). Power operates to include women. At the same time the problem is on what terms. Global financial volatility and intensification of work overstretch the buffer function of the care economy⁶⁴. These terms of integration of women into markets are good for maximizing the returns on investments and the shareholder value in highly competitive and volatile markets.

The CSR discourse contains the blame, and provides redemption by audit. It locks critics with corporations, and allows neoliberal state to govern at a distance. The auditing, verification and assurance procedures, which are meant to put companies and their stakeholders on automatic pilot for CSR operate as an equivalent of genetic code for transmitting continuity of systemic reproduction. CSR represents a political technology for smoothing the adjustment of human and corporate bodies to the accelerating accumulation of capital, within the system which generates value out of time and energy provided by nature and human bodies (Brennan, 1997, 2000). The CSR

⁶⁴ I borrow the argument on global financial volatility overstretching the buffer function of care economy from Irene van Staveren, 2002

discourse helps to ensure that generation of profits and reproduction and multiplication of financial capital proceed in a sustained, uninterrupted manner.

The folding back of state responsibility for the social and for the environment is accompanied by a shift to corporate and moral register. At the strategic core of the CSR lies the merger of profits and morals, mobilized from below as resistance tactics by church organizations, social entrepreneurs and NGOs. While CSR as civic resistance tactics delivered on the goals to generate a socially responsible investment movement, the same discourse was deployed as a strategy to safeguard the current forms of the reproduction of financial capital. The merge of profits and morals (in the CSR discourse) and profits and happiness (in the consumer discourse) are crucial elements of social integration. They pre-empt the need for debate on alternative models of market economy, and alternative models of competition and value generation. The merger of profits with morals provides corporations with the entitlements to citizenship.

At the same time the shift to social contract with corporations implies the revalorization of human life, depending on its resource/use value as determined by labor or consumer markets or the dominant religion in the place that one lives. This occurs in parallel with the global move undertaken by sovereign state to revalorize citizens from the point of view of political obedience⁶⁵, and in parallel to the move to establish religious sovereignty over human reproduction⁶⁶. The end effect is the dismantling of social contract with citizens, and the set back in the historical gains of women in claiming their rights.

Through the reproblematicization of CSR as corporate social and environmental responsibility, and its relocation to the state and inter-state organizations, the social contract between the states and corporations which began at the WTO, is now accomplished. The WTO economico-juridical regime and related national restructuring provided corporations with rights, while the CSR discourse delineated their obligations⁶⁷, and made the system palatable for citizens, while reinforcing the neo-liberal state.

What to do about it here and now? As pointed out by Irene Khan, the Secretary General of Amnesty International in her statement delivered at the Public Eye on Davos in 2003,

⁶⁵ see Dillon & Reid, 2001, on security and biopolitics, and the critique of the new American military doctrine developed in early 90s., which constructs the enemy within the boundaries of the neo-centric security framework of the state.

⁶⁶ This is for instance visible with the systematic movement to dismantle international agreements such as Cairo Platform of Action developed at the UN Conference on Population and Development in 1994 or the so called gag rule instituted by president Bush jr to exclude from American funding the organisations which advocate women's reproductive health and rights. The aim is to deny women control over their bodies and reproduction. The controls shift to the global conservative alliance led by Vatican (Sen and Madunagu, 2001)

⁶⁷ Nancy Hirschmann (1989) argues obligations are hidden but essential element of contract together with freedom and recognition.

“...leaving the debate in the realm of voluntary commitments has, in practice, too often let governments off the hook. Obviously, it is the governments who sign the treaties, they are obliged to protect human rights - and obliged to ensure that private actors, including companies, do not abuse them. Dialogues on human rights and the private sector that leave out the role of law altogether play into the hands of governments who are failing to live up to these obligations”.

At stake is, too, as Peter Utting (2000) pointed out, to get out of the conundrum of discussing global governance on the terms of juggling regulatory versus voluntary approaches. Instead of debates conducted in a totalizing and normative manner, a case by case approach would be more warranted to develop an appropriate integration of self-regulatory and regulatory approaches.

Foucault’s conceptualization of bio-politics allows to look for alternative strategies and new weapons (Deleuze, 1990). This would be about development of analysis and fostering dialogues across divides in academia and critical spaces on issues central to the biopolitical adjustment of bodies to the accumulation of capital: on rendering visible the use of bodies as resources, on know-hows to slow down and transform the techniques of reproduction of capital, on alternative modes of competition that can lead to new ways of generating rent and profit. The political rationality for alternative models of competition would be to enable companies to compete on the basis of living wages paid to employees, capacities to generate and sustain livelihoods, durability of products, and minimizing and internalizing environmental costs. This would be a dialogue on how to re-link the interests of the employers with the interests of employees, on sharing the costs of social and environmental reproduction, and on fostering precautionary models of governance. While as rightfully pointed by John Elkington CSR is a dialogue which offers forks to cannibals, a new dialogue on changing eating habits by stimulation of transformation of governmentalities is long overdue.

Last but not least, a tip from the makers of the Matrix: take the red pill⁶⁸... Dialogical forms do not liberate bodies. They only contribute to change mindsets to a certain extent, with effects, which one cannot entirely predict. Power operates in the name of freedom and desire, and is deployed through discourse. If we take the conclusions from foucauldian histories of the present as insights into futures, it is difficult not to acknowledge that the corporate system will roll on. At stake is to deny the use of our bodies as resources. Hence the importance of technologies for the reconstruction of self as well as strategies to generate alternative economic and friendship networks to redirect money, energies away from the system which feeds on speeded up extraction of energies from nature and human bodies, makes bodies into toxic waste dumps, shapes and absorbs desires and takes money we are paid for work to invest in its own perpetuation and our subjection. Some of the sustainable consumption, fair trade,

⁶⁸ In the movie Matrix Morpheus asks Neo whether he wants to take the blue pill or the red pill. If he takes the blue pill he will wake up in the world that he knows. If he takes the red pill, he will wake up in the world as it is...

organic agriculture, urban justice, and eco-feminist projects offer resources and examples of alternative practice. But all these efforts will remain fragmented without a new project of science, education and art in the service of civil society to reconstitute and rewrite bio-politics⁶⁹. Strangely enough, neo-liberal restructuring with its emphasis on empowering human subjects, and self-reflexivity of society open door to such rewritings. Resistance is not outside of power. If will to know is will to power, resistance is sustained as long as there is will to live.

Ewa Charkiewicz
Edited New York, 9 May, 2004

Annex 1

⁶⁹ "Teresa Brennan, 51, an internationally respected philosopher and social theorist and the Eminent Scholar in the Humanities at Florida Atlantic University, died February 3. She was struck by a hit-and-run driver while on foot in Deerfield Beach. She had been on life support since the December 10th accident and died at Kindred Hospital without regaining consciousness".
http://www.fau.edu/fautoday/0302/n_brennan.html

Annex 1

Archives on the Avalanche Corporate Social Responsibility⁷⁰

1601

Queen Elisabeth charters East India Trading Company

1602 The representatives of the provinces of the Dutch Republic grant Dutch East India Company, VOC an overseas trade monopoly

1863

Alkali Act, Britain further expanded 1903 (Murdie, 158) which established Central Government Inspectors, required under section 27 that best practice is applied; Alkali Inspectorate eventually merged with HIP, (McCormick, 5)

1664 King Charles I sent his commissioners to the Massachusetts Bay Company to see if the company had been complying with the terms of the charter granted in 1628 (POCLAD)

1886

In Santa Clara County vs Southern Pacific Railroad, a dispute over a railbed route, the US Supreme Court deemed that a private corporation was "a natural person" and therefore a legal person entitled to all the rights and protections afforded by the Bill of Rights of the US Constitution. (Korten)

1943

Johnson & Johnson is publishing its Credo – an ethical code of conduct (in CUTS, 2002)

1948

Bureau International de la Recuperations (BIR) formed to bring together companies engaged in recovery and recycling of raw materials

1965

International Chamber of Commerce (ICC) environmental statement

1970

United Church of Christ, Investing Church Funds for Maximum Social Impact; first CSR staff appointed 1971; (O'Brien, 2001)

UN establishes Commission on Transnational Corporations as an intergovernmental subsidiary body of the ECOSOC. The commission established a group which formulated a Code in 1978 (never accepted); The most recent draft emerged in 1990; In 1994 the Commission decided to dissolve itself and fold into UNCTAD. The Commission's companion body, **UN Centre on Transnational Corporations** was

⁷⁰ Ewa Charkiewicz, from Global Compact and Its Discontents, work in progress

downgraded in 1994(?) to a smaller unity at UNCTAD and its office moved from Geneva to New York. The new Centre is charged with promoting FDI. (Kolodner, 1995)

The first Earth Day in the USA. Citizens take to the streets; Chrysler issues an advertisement with the logo "We care for the environment, too".

1971

Interfaith Centre on Corporate Responsibility, a church based network in the USA, which includes 250 health care corporations, pensions funds, Protestant, Jewish, and Roman catholic orders, denomination, agencies, and dioceses. The centre sponsors shareholder resolutions, conducts dialogue with corporate management, applies social screening to investors portfolios, divests stocks, publishes reports, testifies at UN, leads consumer boycotts, provides advice to mutual funds, and acts as a clearinghouse for alternative investment and community economic development. Sponsors include Pensions Funds of Minnesota, the United Brotherhood of carpenters, The Calvert Social Investment Fund, and FoE. (Kolodner, 1995)

World Economic Forum (Davos) established www.wef.org or www.weforum.org

1972

ABT & Associates, environmental report added to annual financial statement, the first corporate environmental statement (Tepper Marlin & Tepper Marlin, 2003)

1973

February, article by John Tepper Marlin, Journal of Accountancy on model environmental report, how accountants could measure pollution, auditor's opinion added;

M. Dierkes & R. Bauer, Corporate Social Accounting, Praeger (1973)

1975

1 January Task Force on the Churches and Corporate Responsibility established in Canada (later cooperation with ICCR in US and ECCR in UK). One of the first campaigns was to assist church shareholders in influencing Canadian banks to stop making loans to apartheid regime in South Africa. By mid 80s. most of the Canadian banks formally announced the end of such loans. In 1993 multiyear project which led to publication of Principles of Global Corporate Responsibility. Benchmarks for Measuring Business Performance. URL www.web.net/~tccr/

3M introduces 3 Ps – Pollution Prevention Pays program and sets itself targets for waste minimisation and zero emissions by 2000. (Smart, 1992:12)

More examples of academic roots of social accounting:

Seth S. P., Dimensions of Corporate Social Performance: an Analytical Framework, California Management Review, vol 17, no 3 pp 58-64

L. J Seidler & L. KL. Seidler, Social Accounting: Theory, Issues and Cases, Melville (1975)

1976

Seveso, Northern Italy, dioxin leak (one of the most potent known poisons, the constituent of infamous Agent Orange) which leads to permanent evacuation of 4 neighbourhood villages; the

health effects costs include the effects of exposure to dioxin which is also a reproductive toxin. Several years Later EU will adopted SEVESO Directive on emergency management plans.

Ralph Estes, Corporate Social Accounting, John Wiley and Sons (1976), (R. Estes in 1999 became director of the Stakeholder Alliance, which developed the Sunshine Standards on corporate reporting).

OECD Declaration on International Investment and Multinational Enterprises, reviewed 1979, 1982, 1984, 1991, and again in 1998. Last revision 2000.

UNEP begins to work with business and industry (later partnerships with ICC, e.g. for training materials for developing countries on implementing ICC charter; with CEFIC on APPEL)

1977

UN Centre on Transnational Corporations (UNCTC) began negotiations on the Draft Code of Conduct on Transnational Corporations (draft 1988, never adopted, centre downsized and relocated to G-va 1994)

ILO Tripartite Declaration, code of conduct for MNEs

<http://www.ilo.org/public/english/standards/norm/sources/mne.htm>

1997

Minnesota Centre for Corporate Social Responsibility, coalition of 200 companies promulgating Minnesota Principles (fairness, honesty, respect for environment and human rights, the notion of stakeholders expanded to include customers, suppliers, developing countries and communities), Kolodner, 1995

1980

December, 5 Set of Multilaterally Agreed Principles and Rules for the Control of Restrictive Business Practice, negotiated in the framework of UNCTAD, adopted by UN GA resolution no 35/63

1981

International Code on Marketing of Breast Milk Substitutes adopted by WHO Assembly, amended twice, in 1992 new advocacy with UNICEF to promote breastfeeding and restrict the practices of infant formula industry; in 1985 FAO Code of Conduct on the Distribution and the Use of Pesticides, and 1988 WHO Ethical Criteria for Medicinal Drug Promotion (See book by Judith Richter, 2002)

1982

Towards Responsible Growth – report by Continental Group (Smart, 1992:83)

1983

R. E. Freeman & D. E. Reed, Stockholders and Stakeholders: a New Perspective on Corporate Governance, California Management Review, 25 (3): 93:94 . (1983)

H. Mitzenberg, The Case for Corporate Responsibility, Journal of Business Strategy, vol 4 no 2 3-15 (1983)

Ethical Investment Research Institute established in UK by churches and charities, which carries out research, and provides portfolio advice. EIRIS LTD established in 2001.

Neuromancer, a cyberpunk SF novel by William Gibson, with its main protagonist, a computer wiz/cowboy up against corporations in the virtual nano tech world (Later Count Zero, Burning Chrome, Mona Lisa Overdrive, also work by Bruce Sterling, Yablokov and others in the same genre of socially engaged SF which discuss the problems of power and agency in the world ruled by corporations, and how these evolve. Socially engaged SF is a critical writing strategy to magnify certain social and political, environmental trends of today, take them to the future to give visibility to their implications and potential effects). Other such examples include a novel and a movie Solvent Grey, of 100 % recycle society.

1984

EU Seveso Directive enters into force (adopted in reaction to the catastrophe in Seveso in 1976) which requires that companies calculate risks, develop a disaster management plans, and provide local people about potential risks.

December Bhopal disaster in the Union Carbide pesticide factory. The immediate death toll is estimated at 2000 – 8000 people, and over 200 000 have been disabled for life (neurological disorders, blindness). Two years later Emergency Planning and Community Right to Know Act is passed in the USA (later expanded into Pollution Prevention Act) which obliges companies to disclose information on selected toxics - Toxic Release Inventory. Union Carbide is now a part of Dow Chemicals. In 1989 a Right to Know Network was established. Dutch toxic release inventory register was established in 1974 but until late 90s public access to information could only be obtained via requests to the ministry. In the mid 1996 OECD Inter-organisation Program for the Sound Management of Chemicals launched Pollutant Release and Transfer Registers (PRTRs) . A Tool for Environmental Policy and Sustainable Development. Guidance Manual for Governments. Several environmental NGO networks, including Greenpeace, FoE, and ANPED WG CAP were campaigning on TRI /PRTR type of legislation with public access to information. The application of ICT improved public accessibility of data. 15 years after Bhopal (and via the Agenda 21) regional ECE Convention on Access to Information, Public Participation in Decision Making and Access to Justice in Environmental Matters was adopted in 1998. Among the arguments which mobilized governments to adopt the Convention was the image of environmental destruction and chaos in former communist block countries. A common argument among NGOs was that Eastern Europe should jump start to best practice in environmental decision making. www.unece.org/env/europe/ppconven.htm

Milton Friedman. The social responsibility of business is to increase profits, in W. M. Michael Hoffman, and Jennifer Mills Moore, Business Ethics: Readings and Cases in Corporate Morality. New York: McGraw-Hill

1985

WICEM I , International Chamber of Commerce, World Industry Conference on Environmental Management

FAO International Code of Conduct on the Distribution and Use of Pesticides, amended in 1989 to include the PIC procedure

RESPONSIBLE CARE program (launched after Bhopal disaster)

By Canadian Chemical Producers Association as model for management of chemicals, in 1988 adopted by American Chemistry Council as obligatory condition for membership; later expanded globally by ICCA.. Programs in the same genre: Save Money and Reduce Toxics (SMART) by Chevron, Waste Reduction Always Pays (by Dow Chemicals)

1986

1986 Chernobyl disaster, Rhine disaster

Caux Roundtable of business leaders from Europe, US, Japan, founded by Frederik Philips, former president of Philips Electronics; later (?) at the urging of Ryuzaburo Kaku, chairman of Canon Inc. attention to the importance of global corporate responsibility in reducing social and economic threats to world peace; Caux Roundtable Principles for Business (1994) . Focus on corporate responsibility in the context of larger governance issues (political responsibility) e.g. related to social, political, economic, and technological changes taking place globally; disparities between within countries, threats to peace.
<http://www.cauxroundtable.org/ENGLISH.HTM>

Institute of Business Ethics established in Manchester, UK, partner of Caux Roundtable, CSR Europe, Transparency International, www.ibe.org.uk. Journal Ethical Performance, www.ethicalperformance.com, courses on business ethics, reports

Defense Industry Initiative on Business Ethics and Conduct (major defense contractors US, after scandals in the industry in the 80s) source: CUTS from www.itcilo.it

1987

Social Venture Network, in the USA by investment banker Joshua Mailman with other business leaders; later has had offspring organisations (Business for Social Responsibility, Students for Social Responsibility); engaged with UN at HABITAT II conference in Istanbul. Their CSR standards include 9 principles on ethics, financial returns and environmental protection.

Our Common Future, report by World Commission on Sustainable Development (WCED), also known as the Brundtland Commission, a major intervention in the global policy discourse on sustainable development integrates corporate perspectives on transition to sustainable development (Consume More with Less)

ISO International Standardization makes first quality management standards **900 series** (by 1995 some 100 000 certificates issued in 86 countries) – voluntary

1988

UNEP APELL program The Awareness and Preparedness at Local Level , .intern organisation, local, national govts, launched in cooperation with ICCA, International Confederation of Chemical Industry

Board of the Social Investment Forum, USA (an association of socially responsible investment firms and public pension funds decides to engage in a coalition with environmentalists. A year Later CERES, Coalition for Environmentally Responsible Economies (CERES Greek Goddess of fertility) is created, that will later develop standards (Valdez Principles) and verification procedures for environmental reporting and auditing; the birth of voluntary standards?

Centre for Business and Public Centre Sector Ethics, Cambridge founded www.ethicscentre.org

1989

Exxon/Valdez disaster off the coast of Alaska

CERES founded by Calvert Social Investment Fund & Foundation Franklin Research and Development) FoE & Sierra Club, public pensions funds and labour organisations; use of shareholder resolutions to promote CSR. Valdez related renamed as CERES principles for environmental and ethical business include protection of biosphere, sustainable use of resources, and other environmental management commitments and reporting requirements.

Bern & Jerry commissions a 'social auditor' to work with B&J staff on 1988 report to stakeholders (Tepper Marlin, 2003). This auditor is Paul Hawken, the author *The Ecology of Commerce*.

UNTNC, Criteria for Sustainable Business Management

UNEP launches Clean(er) Production Program

UNOCAL initiates South Coast Recycled Auto Program SCRAP; in LA dirtiest air in the US; pre-1971 produced vehicles do not have pollution control systems; as of mid 1990 under the program the old vehicles were purchased from owners and scrapped. The program removed 13 million pounds of pollutants from the air; other companies and govt joined by contributing funds; to encourage larger participation offset device – credit for companies who join proposed; \$ 5m spent by UNOCAL to buy 8 400 old cars removed more pollution than \$150 million worth refinery equipment. Smart 1992:19, 241)

1990

May, Domini 400 Social Index (DSI) launched by Amy Domini with partners; outperforming companies on Poor and Moody 500 index. DSI excludes weapon, tobacco manufacturers and adopts social and environmental screens. www.kld.com, and www.domini.com

1st UNEP seminar on Cleaner production organised in Canterbury, UK by UNEP TIE office

BCSD with Stefan Schmidheiny established to represent global business in the UNCED process (later joined with WICE to form WBCSD)

GEMI – Global Environmental Management Initiative – founded in result of American CEO Business Roundtable (EPA voluntary programmes, ISO, environmental self-auditing)

Prince of Wales Green Business Forum founded, www.iblf.org

Clean Cloth Campaign starts in the Netherlands, later evolves into global solidarity network on workers rights and work conditions in garment and footwear industries; developed Fair Trade Charter for Garment which includes provisions for living wage, www.cleanclothes.org

1991

Greening the Industry Network, Boston University, Technical University of Denmark, Twente Technical University NL

ICC Business Charter for Sustainable Development signed by some 1000 corporations

Keidanren Global Environmental Charter, Tokyo

Tomorrow – global business magazine on environment launched , www.tomorrow-web.com

Global Environmental Charter by Keidanren (The Japan Federation of Economic Organisations)

Shell Canada , social/environmental business report (quoted in Business Respect no 49)

UNTNC, Transnational Corporations and Sustainable Development: Recommendations of the Executive Director. Report of the Secretary General//EC.10/1992/2 New York

G77 in dispute with OECD countries over the codes. G77 wants a binding code including the right of government to regulate corporate behavior, and an unqualified prohibition of TNC interference in domestic affairs (CUTS, 2002) but in the 80s most of the developing countries have already changed domestic investment laws to facilitate and attract FDI (Kolodner).

1992

June, Rio de Janeiro, United Nations Conference on Environment and Development. UNCED, **The Earth Summit**. Institutionalisation of multistakeholder format of policy negotiations. Business and Industry as one of the major groups.

Agenda 21. The UN Program of Action on Sustainable development includes a chapter on the role

IMF/World Bank Development Committee Guidelines on the “Treatment of Foreign Direct Investment”

INEM – International Network for Environmental Management, by dr Georg Winter, a diamond tool entrepreneur to disseminate BAUM experiences (German Environmentalist Management Society, 1987)

From Ideas to Action, ICC, Paris

WICEM II, June, Rio de Janeiro, and BCSD meetings in Sao Paulo and Rio de Janeiro in parallel to the Earth Summit

Stuart R. Taylor, Green management: the next competitive weapon, in Futures, September, 1992, argues corporations will use environmental management as comparative advantage

D. Owen, Green reporting: accountancy and the challenge of the Nineties, Chapman & Hall, (1992)

US Ethics Officer Association begins with som 12 members, by 2001 it has 650.

1993

UN, UNCTAD, Program on TNCs, Environment Series no 4 ENVIRONMENTAL MANAGEMENT in Transnational Corporations. Report on the Benchmark Corporate Environmental Survey

The Greenpeace Guide to Anti-Environmental Organizations by Carl Deal, Greenpeace USA, Berkeley CA: Odonionan Press (1993)

European Partners for Environment, EPE, initiated by European Environmental Bureau and Dow Chemicals

EU EMAS directive Environmental Management and Auditing Scheme (also proposals for SMAS – voluntary; system of verifiers established by 1995 (work started in 1993).

EU President Jacques Delors appeals to business to take part in social exclusion (This will lead to the establishment of European Business Forum on CSR)

Paul Hawken, The Ecology of Commerce: A Declaration of Sustainability, New York, Harper Business. In the same year Paul Hawken performs a social audit for Ben and Jerry.

Coming Clean – the first world survey of corporate environmental reports by UNEP with Deloitte Touche Tohmatsu International and IIED

1- 3 March, International Meeting on TNCs organized by TWN, Penang, Malaysia, with IPS, Greenpeace, IATP,

Forest Timber Council established by environmental groups, the timber industry, foresters, indigenous peoples and community groups from 25 countries.

Bruce Harrison, Going Green: How to Communicate Your Companies environmental Commitment, Business One Irwin, Homewood Il

KPMG conducts the survey of corporate environmental reporting. The ext survey is in 1996, and again in 1999.

Transparency International established, among 10 founders Peter Eigen formerly with the World Bank, book by Sir Stuart Moody on grand corruption, and the role of international business in developing countries, http://www.transparency.org/about_ti/history.html

1994

survey **Green Keiretsu** published in Tomorrow Sustainability Ltd identified 40 major green business networks (since mid 1980s) – defense against regulation, diffusing best practice)

European Roundtable of Industrialists (ERT) Environment Watchdog Group, The Climate Change debate. Seven Principles for Practical Policies

May 1994 Dutch International Restructuring Education Network (IRENE), and French Ngo Agir ICI held a seminar on corporate codes of conduct. The focus was on NIKE as self proclaimed business leader in code of conduct. The participants included NIKE subcontracting firm workers and trade unions from Indonesia, and take a critical approach to the codes and also look how to make them work for the workers.

Permanent People's Tribunal: Industrial and Environmental Hazards and Human Rights, London 28-30 November 1994

Richard J. Barnett & John Cavanagh, Global Dreams. Imperial Corporations and the New World Order, New York: Simon & Schuster (1994)

International Conference on Fair Play in Global Business, India, **IOCU** proposes **Guidelines for Global Business**

Governing Our Environment conference. Copenhagen, Nov. 17-18, 1994

UNCTNC and ECOSOC Commission on TNCs dissolved itself and revived with UNCTAD, Geneva. New mandate for UNCTNC to promote FDI

Marrakesh meeting concludes Uruguay Round of GATT. As of next year WTO goes into business.

Lean and Clean Management. How to Boost Profits, Increase Productivity by Reducing Pollution, by Joseph J. Romm, New York, Kodansha America Inc., (1994)

1995

Hilton Head Island, South Carolina, February 8-12, Transforming the Soul of Business. First International Conference (The National Institute for New Corporate Vision)

ISO 14002 draft standard on environmental management adopted (series for corporate environmental management: organizational structure, procedures) the series includes standards on auditing, performance evaluation, eco-labelling (ISO 14024), life-cycle assessments – ISO 14040 as of 2000, product standards;

Harris Gleckman and Riva Krut, Benchmark Environmental Consulting, Strategies Towards Democratic Global Governance. The Social Benefits of Regulating Transnational Corporations, (Harris formerly with UNCTNC)

Michael Porter and Claas van der Linde, Green and Competitive: Ending the Stalemate, Harvard Business Review, October 1995 (24) – well formulated regulation can promote innovation and resource productivity

Social Venture Network meeting in Italy (April 1995) decision to establish a body responsible for maintaining standards – later to become International Association of Social and Ethical Investment (ISEA), NEF secretariat

Alan Reder for Social Venture Network: 75 Best Business Practices for Socially Responsible Companies, New York: Putnam (1995)

Dutch Association of Investors for Sustainable Development, and since a 1998 a Platform of Socially Responsible Investors, see www.vbdo.nl

The Copenhagen Statement on Democratic Governance of Transnational Corporations and International Markets requesting the governments to recognize the need for democratic governance on TNCs, lending institutions and international markets; and a commitment to establish and enlist (multistakeholder) panel of experts to develop appropriate regulatory institutions and instruments of governance and law;(for the Social Summit) signed by world leading NGOs

March 1995, NGO preparatory meeting for the 4th World Conference on Women (Beijing 1995) women's health organization adopt a resolution banning the participation of TNCs, representatives of infant formula, pesticides, tobacco, pharmaceutical and other business interests to meet in their own caucus.(WEDO, Primer No 2 on TNCs at the UN)

Transnational Resource Centre develops its website Corpwatch, later both are know under the same name;

Task Force of Churches on Corporate Social Responsibility established in Canada (chk date) <http://www.web.net/%7Etccr/index.html>, Global Principles on Corporate Social Responsibility at <http://www.web.net/%7Etccr/benchmarks/index.html>

OECD Industry and Economic Affairs (chck name) Department begins drafting **Multinational Agreement on Investment, MAI**, which secures the interests of global companies. The OECD Environment Dept and then NGOs get hold of the draft. Critique and opposition against the MAI leads to the abandonment of the drafting project in 1998 (chck dates)...

1996

Marine Stewardship Council (MSC) initiated by WWF and Unilever, grants an MSC logo showing fishery meets environmental standards

May, ANPED task force of corporate social accountability founded at ANPED WG CAP workshop on NGO strategies on TNCs, initiated by Jeff Barber, from US Based NGOs Integrative Strategies Forum and Coop America; Later known as TOBI Initiative; in 1997 report Minding Our Business: The role of corporate accountability in sustainable development

2 August President Clinton brings a diverse group of industry, labour and human rights leaders to the White House to discuss labour conditions in the apparel industry Apparel Industry Partnership Agreement (AIP) released work place code of conduct and principles of monitoring. See <http://www.dol.gov>

European Business Network for Social Cohesion later to become European CSR Forum <CSR Europe> (the name corresponds with the EC website Europe- enterprise BSR launched (Jacques Delors, former EC Commissioner, and business leaders). In 2000 launched Business Campaign for Corporate Social Responsibility;

Since 1996 BSR Europe published 11 reports which include consumers surveys, assessments, and country SRI studies; newsletter CSR Pulse

EU parliament issues annual report on human rights and calls for a Code of Conduct for European companies operating in this countries, this call is again repeated in 1997, ad 1998

Self-regulation and environmental management. An analysis of guidelines set by world industry associations for their member firms. UNCTAD/Division on Transnational Corporations and Investment/29, Environment Series No 5 (by Riva Krut et al) - 26 industry association environmental statements analyzed

UNEP IE Company Environmental reporting: A Measure of Progress of Business and Industry Towards Sustainable development. A survey of 100 pioneers in environmental reporting (chck date)

UNEP, Implementation of Agenda 21 by Industry Associations, for the 4th session of CSD

Oslo, 15 – 16 February, 1996, Third International Conference on Product Oriented Environmental Policy. Focus on **extended producer responsibility**. (Green Goods 3 conference).

ICCA Position paper on sustainable development and chemical industry

1997

January - First issue Journal of Business Ethics, Kluwer Publishers

<http://www.kluweronline.com/issn/0167-4544/contents>

15 January, If Aristotle Ran General Motors. The New Soul of Business, a book by Thomas V. Morris published by Henry Holt & Co, in 1997 also an audio cassette. Drawing on Aristotle Morrison applies the principles of truth, beauty, goodness and unity as guidelines for making business decisions

Corporate Europe Observatory established, a critical think to monitor European Roundtable of Industrialists and other European businesses.

Jeff Ballinger & Claes Olson eds., Behind the Swoosh. The struggle of Indonesian Making Nike Shoes, Global Publications Foundation and ICDA (1997) – a collection of articles by activists and NGO researchers on NIKE and its largely South Korean and Taiwanese subcontractors performance in Indonesia in collusion with military govt., Nike's code of conduct, and struggles to assure minim wage of workers, reduce unpaid overtime, and their safety in view of the management by terror. Minimum wage is below a living wage. 1988 the minimum wage in West Java was \$ 0.83 per day; this was only 56 % of what govt. calculated as minimum physical need, as measure to assist prison administrators prepare budgets; a study found that 88 % of those earning minimum wage were malnourished. (Ballinger, 7)

Sharon Beder, Global Spin. The Corporate Assault on Environmentalism, Foxhole: Green Books

In a landmark case Ciba Geigy pays Kristian Philips an American musician the equivalent of 1.9 million pounds in compensation for illness suffered after chronic exposure to the organophosphate insecticide sprayed in Hong Kong concert Hall in 1987 (Hough, 1998:43)

CEPAA Social Accountability Standard SA 8000 established by Council on Economic Priorities Accreditation Agency, “a comprehensive global verifiable standard for auditing and certifying corporate responsibility”. www.cepaa.org (Toolkit gives 1999). The Standard and its verification system draws on established business strategies for ensuring quality (such as ISO 9000) with several international human rights instruments

Social Accountability International founded www.sa-intl.org

First organizational meeting of Global Reporting Initiative GRI (by 2002 establishment of independent GRI institution; guidelines in 2000) Global Reporting Initiative, proposal CERES, multi-stakeholder process to disseminate multi-stakeholder sustainability reporting guidelines; independent initiative from 2002; an official collaborating centre with UNEP; Also KPMG, Deloitte Touche, International Federation of Accountants IFAC, Fédération des Experts Comptables Européennes FEE engage with research on implementation, and guideline for verification. Environmental management evolves into sustainability management.

27 July, lunch with CEOs of TNCs at UN hosted by ambassador Ismail Razali. Participants include 10 CEO of MNEs, 3 heads of state, ministers (incl. Claire Short, UK development minister, and Margharetta de Boer, minister for the environment, NL), and several NGOs (Chee Yoke Ling, TWN), two academics on the subject of corporate involvement in the UN activities. Report by David Korten. This is believed to lead to the Global Compact Initiative, and other business-UN partnerships

No Hiding Place, report by Control Risks Group – argues to take seriously concerns of pressure groups, and to establish the potential of these groups

International Council of Chemical Associations, ICCA, Statement on Global Climate Change for UNGASS (encourage voluntary measures and more analysis)

The ICFTU (International Confederation of Free Trade Unions) [model code](#) was adopted in December 1997. It has since become the model for framework agreements, and for the leading multi-stakeholder codes and civil society code proposals. Multi-stakeholder code based on the ICFTU model code include: the SA8000 Standard, the Ethical Trading Initiative Base Code in the UK, and the Dutch Fair Trade Charter for Garments. The Europe-wide Clean Clothes Campaign's model code is also based on the ICFTU code.

Corporate foreign direct liability (**FDL**) case over mercury poisoning of workers in the Thor Chemical Holdings, after the UK production closed for health reason was relocated SA is settled out of court in the UK after unsuccessful attempt to obtain justice in South Africa. In the process TCH restructured. The first settlement out of court for 1.3 million in 1997, and the second for 240 000 GBP in 2000. (Ward, 2002) – *find more cases, also attempted*

Simon Zadek, P. Bruzan, R. Evans, ed., Building Corporate Accountability: Emerging Practices of Social and Ethical Accounting, Auditing and Reporting, London: Earthscan (1997)

UNEP DTIE Paris and SustainAbility Co UK Stakeholder Program on Corporate Social Responsibility starts with its first out of 14 by 2003 reports on CSR (global and sectoral surveys, guide type of reports, e.g. The Benchmark Survey (1997) The CEO Agenda (1998), The Non-Reporters Report (1998), The Internet Reporting report (1999), The Oil and Gas Report (1999), Life and Science (2000), The Global reporters (2000), Buried Treasure (2001), Driving Sustainability (2001), Virtual Sustainability (2001), Media, CSR and Sustainable Development (2002) In contrast to many other environmental publications, these are not in public domain <http://www.uneptie.org/outreach/reporting/sustainability-rpt.htm>

Ted Turner establishes **the United Nations Foundation** with a grant made of Time Warner stock, to be made in annual installments, each at \$ 100 million to support project in the fields of environment, children's health, women and population, peace security and human rights chck date Utting, 2000

GAVI – Global Alliance for Vaccines and Immunization set with partners: Bill and Melissa gates Children Vaccines Program, The International Federation of Pharmaceutical Manufacturers Associations, the Rockefeller Foundation, the World Bank Group, UNICEF and WHO, and research institutes. Chk date)

1998

UN Secretary General report, Industry and Sustainable Development, UN DESA, for CSD 1998; E/CN.17/1998/4, 30 January 19989

Rio Tinto. Behind the Façade. Stakeholders Report, a response to company's report, coordinated by International Federation of Energy, Miner's and General Workers' Union, Brussels, www.cfmeu.asm.au/mining-energy/policy/rio/RT-BTF.pdf

Erin Brockovich – a Hollywood movie with Julia Roberts based on a true story of a woman who exposed corporation in a water pollution scandal www.erinbrockovich.com

OECD begins the consultative process on the **OECD Guidelines for Multinational Enterprises**. The multistakeholder format BIAAC, TUAC, NGOs, and others. These voluntary guidelines establish procedures and capacities to address complaints, and national focal points for monitoring and implementation but the language on this is rather vague.. Some proposals, e.g. by Dutch parliament link the commitment to the guidelines with government subsidies for international trade and investment, and export credits. The number of web pages with the discussion of the guidelines increased from 2,666 in June 2001 to almost 20 000 in 2003. URL: ww.oecd.org/daf/investment/guidelines

Amnesty International. Human Rights Principles for Companies

www.amnesty.org/library/print/ENGACT700011998

Gyllenhammar Group set up following the EU Luxembourg Job Summit in 1997 recommends that "Businesses with more than 1000 employees should publish a report on management change to give an account of the impact of their social activities". This follows the shock of the French Renault auto manufacturer closure of the factory in Vilvoorde, Belgium.

Ethical Trading Initiative established by NGOs and companies to promote fair trade, UK based

“Our Common concern – the social responsibility of corporate sector” campaign launched by Danish Minister for Social Affairs, also Copenhagen Centre set up

High Group on Economic and Social Implications of Industrial Change set up at the initiative of the European Council invites companies with more than 1000 staff to publish “Managing Change report” on employment and working conditions

Hampel Combined Code on Corporate Governance relating to structure and composition of the Board of Directors with the findings of the Greenbury Commission on Director’s pay or remuneration (not upheld, Thomas, 2001)

The European parliament Voluntary Code of Conduct for European Enterprises Operating in Developing Countries drafted

1999

15 January EU parliament adopts Resolution on “EU standards for European enterprises operating in developing countries: towards a European Code of Conduct” calling for a European Code of Conduct which would contribute to greater standardization of voluntary codes of conduct based on international standards, include complaints procedures and remedial action, and the establishment of a European Monitoring Platform, late also EU parliament hearings on specific companies

At World Business Forum in Davos Kofi Annan announces **Global Compact** (9 core principles on core labor, human rights, and environmental standards) . The Compact is officially launched in July 2000, with 44 corporations, 6 business and industry associations, 14 non-governmental and trade union organizations; The companies commit themselves to advocate Global Compact and 9 principles in their mission statements and annual reports (b) post on the Global Compact website examples of best practice, c) enter in partnerships with UN to the benefit of developing countries. (Utting, 2000) By early 2003 700 companies involved; Amnesty International and other NGOs invited to World Business Forum

Global Sullivan Principles (reverend Leon Sullivan from USA) first drafted in 1976 as a tool to protest against apartheid in South Africa, in 1999 put forward to UN as a global proposal
<http://globalsullivanprinciples.org>

AA1000 Series accountability standard designed to establish a systematic stakeholder engagement process that generates the indicators, targets and reporting systems (best practice), and to complement GRI reporting guidelines. The first world assurance standard launched March 25, 2003 (check year); This is managed by Accountability, a partnership between British govt and NGOs; International Board, global reach; www.accountability.org.uk; another source: IBLF says it was developed by the Social and Ethical Accountability Institute, check if Accountability is an offshoot of the above? The names of the usual suspects are on the list of board/staff, see 2003

Women's Leadership Conference of the Americas Working Group Meeting on Corporate Social Responsibility, Promoting Women through Corporate Social Responsibility, by Deborah Lepiziger, Caracas, Venezuela, February 1999
www.icrw.org/gwl/gwl-wlca-wp1a.htm

John Elkington, Cannibals with Forks. The **triple bottom line** of 21st century business, Oxford: Capstone, TBL: economic, social and environmental sustainability

Mary Ann Littrell/Marscha Ann Dickson, Social Responsibility in the Global Market. Fair Trade of Cultural Products, London: Sage Publ.

Linda Yanz, Bob Jeffcott, Deena Ladd, Joan Atlin, Policy Options to Improve Standards for Women Garment Workers in Canada and Internationally, Maquila Solidarity Network, a report of Status of Women, Canada, <http://www.swc-cfc.gc.ca/pubish/research/yanz-e.html>
(1999)

DOW JONES Sustainability Index launched

Leading footwear. And apparel companies joined with human rights groups, consumer groups, university researches and others to form Fair Labour Association FLA – a non profit organization dedicated to protecting the rights of workers who labour in factories in U.S. and overseas. www.fairlabor.org

Aspen BSP and WRI survey of 313 IAME accredited business schools in the USA showed that 30 % of respondents provided courses on social and environmental topics. The biannual follow-up surveys showed that the CSR courses ran parallel and had not been well integrated in the overall curricula.

In its 3rd survey of corporate environmental reporting “KPMG found that of the 1100 companies included in the 1999 survey 24% (267 companies) produced an environmental or Health, Safety and Environmental (HSE) report compared with 17% in 1996 and 13% in 1993. The sectors showing most activity were the high risk, high impact categories: chemicals and synthetics (59%), forestry, pulp and paper (55%), utilities (55%), oil and gas (53%), pharmaceuticals (50%), mining (47%), automotive (38%) and transport (33%).

Interestingly, the rate of reporting by country increased in all cases between 1996 and 1999, except in the US, where reporting dropped from 44 to 30%. Countries' reporting rates per top 100 companies (1996 figures in brackets) were Germany 36% (28), Sweden 34% (26), UK 32% (27), Norway 31% (26), US 30% (44), Denmark 29% (8), The Netherlands 25% (20), Belgium 16% (6), Finland 15% (7), Australia 15% (5) and France 4% (0)”. From Wheeler and Elkington, 2001

WTO Ministerial Meeting in Seattle – media images of anti-globalization protests capture public imagination

ISEAL June, at a meeting in Oaxaca, Mexico, five organisations with interest in labour and environment initiate global alliance, to be formally established next year to cooperate in establishing standards setting procedures, peer review coordination, and to safeguard and

promote labour and environmental concerns in international trade. ISEAL developed its code of practice. www.isealalliance.com

Jus Semper Global Alliance for Living Wages North and South, chk date www.jussemer.org

2000

January WEF, Davos James Wolfensohn is launching **Corporate Social Responsibility and Sustainable Competitiveness Program**. The program is organizing on-line conference, courses, research and CSR advocacy in developing countries
www.worldbank.org/wbi/corgov/csr/about.html, www.csrwbi.org

Also at WEF launch of Global Digital Divide Initiative at the meeting of by top information, media, communication and entertainment sector executives and government officials who came up with the **CEO Charter for Digital Development**. The charter deploys the caring language of biopower. Links ICT to advancement in health care, education, environmental goals, economic growth, public participation, local enterprise, transparency and good governance, poverty alleviation, corporate philanthropy, corporate citizenship as win win strategy, and its relationship with stakeholders as fundamental to the core of business strategy
www.weforum.org/site/homepublic.nsf/Content/Global+Digital+Initiative%5CCEO+Charter+for+Digital+Development

UNRISD (United Nations Research Institute for Social Development) begins its 2000 – 2005 program on Business Responsibility for Sustainable Development with a grant from MacArthur Foundation, www.unrisd.org

November, EU Parliament through the development and Cooperation Committee launches hearings on corporate abuse

March, **EU Lisbon Summit CSR** on the agenda, beginning of the programming/research/ policy work in the EU

March, **British government appoints minister for CSR** (Kim Howells, now Howard Timms) DTI office for CSR: <http://www.societyandbusiness.gov.uk>

The National Council for Public Private Partnerships established to promote PPPs in the United States URL: <http://ncpp.org>

May **KIMBERLY PROCESS** multistakeholder dialogue began to break the illegal trade in diamonds and prevent conflicts and human rights violations, and corruption; later it became a negotiating process which resulted with The Kimberley Process Certification Scheme – KPCS - launched January 2003 <http://www.kimberlyprocess.com/background.asp>

OECD inventory of 246 codes shows the dominant themes are social conditions and labour rights (60 % codes) and environmental stewardship (59 %) from Jenkins, 2001

June, OECD Guidelines for Multinational Enterprises – a revised version

<http://www.oecd.org/dataoecd/56/36/1922428.pdf>
or www.oecd.org/daf/investment/guidelines

Voluntary Principles on Security and Human Rights, statement by the US, UK governments and companies in the extractive sector industries, and NGOs,
www.unglobalcompact.org/gc/unweb.nsf/content/vol-support.htm

ILO Tripartite Declaration of Principles concerning Multinational Enterprise and Social Policy (1977/2000)

March, EU Council in Lisbon appeal to companies sense of social responsibility
Global partners for Social Corporate Responsibility Research coalition announces “10 requirements for higher standards of disclosure in the 21st century”

Promoting Socially Responsible Business in Developing Countries: The Potential and Limits of Voluntary Initiatives, UNRISD workshop, Geneva, 23 – 24 October 2004, workshop report at www.unrisd.org

Naomi Klein, No Logo, book on new brand kind of capitalism. No Space. No Choice. No Jobs - No Logo, London: Flamingo Publishers

Karen Kraut, Scott Klinger, Chuck Collins, Choosing the High Road. Business that pay a Living wage and Prosper, Boston: Responsible Wealth, a project for a United for a fair Economy,
www.responsiblewealth.org/living_wage/Choosing.html

General Motors leave anti-Kyoto group

2001

World Social Forum in Porto Alegre, Brasil, to become an annual event “Another World Is Possible”.

1-3 February, ISIS International Manila, Consultations on International Codes of Conduct: media code of conduct dialogues between activists and practitioners on the subject of representations of women and gender relations in the media,
<http://www.isiswomen.org/advocacy/media/2002/code.htm>

ENRON/Arthur Anderson, WorldCom scandals.... (commentaries on www.csrwri.org)

UK Partnerships (PPP umbrella organization)

Debate on CSR in Dutch government and parliament. Social and Economic Council (SER) report on CSR argues it should be company’s core business. Dutch academic, social movement and church organizations issue “Manifesto Principled Profits, Guidelines for responsible business behaviour” to address Dutch business performance overseas.

Central PPP Unit established in the Department of Finance, Ireland

May 11, Brussels **EU conference Best Practices in Corporate Social Responsibility**

May Lisbon, The First European Conference on Triple Bottom Line Investing

European Sustainable and Responsible Investment Forum created by 5 European Social Investment Forums from France, German speaking countries, Italy, the Netherlands and UK with the support of the European Commission DG Employment and Social Affairs, www.eurosif.info

Social Investment Forum Report on Socially Responsible Investing shows the institutional investors such as mutual funds, pensions funds, foundations increase their socially responsible investment portfolio (\$ 1 out of 8 in 2001 in comparison to \$ 1 out of 10 in 1995), www.socialinvest.org

31 July , Paris meeting of international business leaders in preparation for the World Summit on Sustainable Development, International Chamber of Commerce, ICC and World Business Council on Sustainable Development, WBCSD initiate Business Action for Sustainable Development – BASD, chaired by Sir Mark Moody Stuart. Their logo: People, Planet and Prosperity; www.basd.free.fr

Case brought by Ogoni tribe of Nigeria against Shell in the United States of America. The US Supreme Court allowed the claims to proceed.

Stephanie Barrientos, Sharon McClenaghan, Liz Orton, 2001, Stakeholder Participation, gender, and codes of conduct in South Africa, in Development in Practice, 11 (5)

Journal Corporate Citizenship, issue 1, spring 2001, lead articles from Warwick Business School

December, On-line journal and organization Ethical Corporation founded in October by Tobias Webb and Christian Baum

December 2-4, Strategic Consultations on Ethics, Security, and International Investment Pocatinco Conference Centre, Rockefeller Brothers Fund, International Sustainable and Ethical Investment Rules, (mobilization of business against the new cons and war?)

FTSE4 Good index established to guide socially responsible investors. The top companies outperform the FTSE 100 index; the leaders are Microsoft, AOL Warner, Intel;

November 27-28, conference of Belgian presidency: Corporate Social Responsibility on the European Social Policy Agenda. Adidas, Nestle, Volvsvagen explain how their adherence to CSR can help expand their business (Aaronson & Reeves, 2002:3)

EU Green paper: **Promoting a European Framework for Corporate Social Responsibility**
Paper and comments submitted in the multistakeholder consultative process see at:
http://europa.eu.int/comm/enterprise/services/social_policies/index.htm

OECD report, Corporate Responsibility: Private Initiatives and Public Goals, Paris

The Constant Gardner, a novel by John le Care, which exposed the role of pharmaceutical corporation in marketing of a wonder tuberculosis in Kenya, which turns out to have hazardous effects. The positive character is an AID workers and a wife of a British diplomat who uncovers the plot and gets killed by a security company hired by big pharma.

Financial Times Guide Responsible Business, with UBS Financial services Group and the Prince of Wales International Business Leaders Forum www.iblf.org.

2002

KPMG and PwC jointly sign the verification of the 2001 Shell report

January 27-28 NGO launch campaign for a binding framework (UN Convention) on Corporate Responsibility www.foei.org/campaigns/Rio_10/prepcom.html

Corporate Management Tools for Sustainable Development. From Accounting to Accounting. Report by Non-governmental Organizations Steering Committee for the CSD 1998 .

29 April-3 May, at UNCTAD midterm Review Conference in Bangkok dr Supachai Panitchpakdi, now the Director general of the WTO referred to the size of some corporations larger than that of many countries, and said the size should not be the problem, if the TNCs behave in the manner as to become a part of development goals. He said conflicts arise due to lack of understanding and transparency and inconsistencies between policies on TNCs and host countries. (CUTS Briefing paper, Regulating Corporations no 4/2002)

May 2002, Simon Zadek CEO Accountability (formerly with New Economic Foundation) in a presentation on Mapping Corporate Social Responsibility differentiates between aspirational principles (Global Compact, The Natural Step); codes of conduct, (e.g. SA 8000, Ethical Trading Initiative); certification standards, e.g. (ISO 14000 series); investment Screening, (e.g. FTSE4Good); reporting and process framework, (GRI, AA1000S); and assurance standards

July 9, New York, president George W. Bush encourages corporate responsibility after the numerous American corporations have come under S.E.C. scrutiny, also on the cover of Ethical Corporation Magazine, special WSSD issue

June New Economic Foundation (pioneers in the accountability debate and ethical consumption) is launching its program on CSR a broad NGO alliance - CORE http://www.neweconomics.org/gen/transform_public.aspx which is followed by a program From CSR to Transforming the Markets. http://www.neweconomics.org/gen/transform_csr%20.aspx

UNOCAL sued in a Californian court by Burmese (Myanmar) villagers over complicity in human rights violations in the construction of a pipeline in Burma with TOTAL/ Petroleum Authority of Thailand/Burmese governments.

August/September, WSSD, Johannesburg, WBCSD/ BASD/ICC parallel conference. Business comes with the trilogy of publications: Business Case for Sustainable Development, Tomorrow's Markets, and Walking the Talk (67 case studies), also Business and Biodiversity: the Handbook of Corporate Action

Alliance between Greenpeace and WBCSD for Kyoto Protocol

10 Years After Rio – the UNEP Assessment of 22 industry sector reports developed in multistakeholder process with industry and others

Global Reporting Initiative (**GRI**) **Sustainability Guidelines** 2002 launched at the WSSF in Johannesburg

ECOSOC Resolution 2002/8 on the development of **Draft norms on responsibilities of transnational corporations and other business enterprises with regard to human rights**, to be drafted by Commission on Human Rights, Sub-Commission on the Protection and Promotion of Human Rights (Draft submitted to 55 session of ECOSOC in 2003)

Sept. 9 – 27, Business Ethics & Corporate Accountability. The Search for Standards, electronic conference co-organized by the **World Bank** Institute and Ethics Office Association (EOA) with 430 participants from 68 countries, report available at http://www.worldbank.org/wbi/corpgov/csr/pdf/bizethics_econference.pdf

October, 16, **CSR EMS Forum** (European Multistakeholder Forum) with the aim to promote innovation, transparency and convergence of CSR practices and instruments <http://europa.eu.int/comm/enterprise/csr/forum.htm>, 1st meeting report at <http://www.eurosif.org/pdf/eupol-mshfrt3-2003-03.pdf> proposed in July 2002 in the European Commission Communication on CSR; structure: two high level meetings each year and thematic roundtables

November 27-28 EU Conference "Corporate Social Responsibility on the European Social Policy Agenda" with 1000 participants around the world (Aronson, Reeves, 2002: 21)

AA10006 the first assurance standard to ensure the credibility and quality of reporting on social, environmental, and economic performance, in UK, by AccountAbility, UK based and govt involved partnership with a global board; which is an international professional body for accounting. See SIGMA guidelines, 2003; ;launched by British Standardization Institution? Chck dates people; <http://projectsigma.com>

Nov 11 Chevron Texaco and UNDP sign an agreement to promote development in the Niger Delta. The initiative is to showcase UN private sector partnerships www.unwire.org/unwire/20021111/30255_story.asp

Nov 20 UNICEF and McDonald establish partnership to raise money for world children. The donations actually go to Ronald McDonald charities. Alliance for Corporate Free UN stages a subvertising campaign ridiculing the marriage between UNICEF and McDonald who signed a contract on how they will bring up children; www.earthrights.org/un/mmcunicef.shtml

2003

February 23, article in the Guardian, **Wolves in Doves' Clothes**, about the use of anti-war brands to sell products. Among examples: French shoe company marketing Arab style slippers with the stars and stripes, and peace slogan written over them; This reflects the tradition of anti-establishment marketing, e.g. brands such as FCUCK , or ESPRIT to demonstrate commitment to the environment, Benetton anti-racist or AIDS awareness raising advertising;

American Enterprise Institute, a conservative think-tank in Washington , American Enterprise Institute creates an NGO watch project to monitor the NGOs, including these working in the area of corporate social accountability, www.ngowatch.org.

April 21 – May 9, The role of Business in Fighting HIV/AIDS, e-conference by the World Bank Institute and Global Compact,
http://www.worldbank.org/wbi/corpgov/csr/econferences/hivaids/pdf/hivaids_econference_report.pdf

May, **EU Guidelines on Private-Public Partnerships** by the Directorate General on Regional Policy (100 p)
http://europa.eu.int/comm/regional_policy/sources/docgener/guides/ppp/ppp_pdf

May, EU Parliament Resolution on CSR (asks to increase number of women in business, ensure statistics on representation of women in dialogue, and in advisory structures)

European Commission, **Corporate Social Responsibility: a business contribution to sustainable development. Progress on EU CSR Framework** <http://www.eldis.org/static/DOC12824.htm>

May CSD 11 Following the designation of the CSD as the focal point for partnerships in the WSSD Plan of Implementation, CSD agreed to a set of criteria and **guidelines for partnerships** within the context of the WSSD process and its follow up. Partnerships are to be registered with the Secretariat, and CSD Partnership Fairs will be organized, the first one in 2004, at CSD 12.

June 4, 2003, ten major banks from seven countries agreed to a series of guidelines known as the "**Equator Principles**" on social and environmental issues in loans to developing countries, the World Bank announced.

EU Parliament report Corporate Social Responsibility: a Business Contribution to Sustainable Development . Progress on the EU CSR framework (proposals for creation of an agency, labeling system and legislative framework for mandatory reporting),
[www.eldis.org.static/DOC12824.htm](http://www.eldis.org/static/DOC12824.htm)

McDonald acknowledged in late June that the heavy use of growth-stimulating antibiotics by the meat industry threatens human health. It advised its poultry suppliers to phase out the practice or face the prospect of losing the business of America's largest buyer of meat products; this is in the context of declining sales and profits;
<http://www.thenation.com/doc.mhtml?i=20030818&s=greider>

July 7 – 25, Public Policy and Corporate Social Responsibility. The role governments can and do play in promoting and supporting CSR in the developing world, electronic conference organized by World Bank Institute and Bank's Private Sector Vice-Presidency
<http://www.worldbank.org/wbi/corpogov/csr/econconferences/publicpolicy/index.html>

Earth Rights, Litigation. Legal Manual, vol. 1. Guide for non-lawyers who want to learn about litigation, Washington (2003) www.earthrights.org/legalmanual/litigation.shtml

BIRMINGHAM, Ala., Aug. 20 (AP) — Solutia Inc. and the Monsanto Company have agreed to pay \$700 million to settle claims by more than 20,000 Anniston residents over PCB contamination

JOINT BUSINESS CHARTER FOR CANCÚN. BUSINESS IS UNITED IN SUPPORT OF THE WTO MULTILATERAL TRADING SYSTEM We, business organisations representing companies from developing and developed countries are united in wanting to make the fifth WTO Ministerial Conference a success. In September in Cancun, we look to the 147 WTO Members to take important steps towards a successful conclusion of the Doha Development Agenda (DDA) negotiations by 1 January 2005... <http://www.keidanren.or.jp/english/policy/2003/085.html>

United Nations Sub-Commission on Promotion and Protection of Human Rights is currently studying new reports related to investment and globalization to give soon resolutions on these issues (July 2003). These reports include :

- * a report on "Human rights, trade and investment" by High Commissioner for Human Rights (E/CN.4/Sub.2/2003/9; 2 July 2003)
- * updated version of "Commentary on the draft norms on the responsibilities of transnational corporations and other business enterprises with regard to human rights" by the working group on this issue (E/CN.4/Sub.2/2003/38, 30 May 2003)
- * "Globalization and its impact on the full enjoyment of human rights", final report by the special reporters (E/CN.4/Sub.2/2003/14; 25 June 2003)

25.07. Secretary-General Kofi Annan, launched the **Commission on the Private Sector and Development**. The co-chairs of the Commission are Ernesto Zedillo and Paul Martin. Mark Malloch Brown (UNDP) took part in the launch, UN Press Release SG/SM/8793/DEV/2425.

European Foundation for the Improvement of Living and Working Conditions – report Towards a Sustainable Corporate Social Responsibility www.eurofound.eu.in. It's interesting that it is almost entirely focused on process and methods – living wage is outside the CSR discourse

September, SIGMA Guidelines - Sustainability –Integrated Guidelines for Management Project launched with the support UK Department of Trade and Industry, a joint project between British Standards Institution, Forum for the Future (Charity & Think Tank) and AccountAbility (international professional body for accounting) www.projectsigma.com
Conceptual framework of Sigma guidelines I the management of 5 kinds of capital: natural, financial, human, social, manufactured; focus on how organisations can assure their processes and reporting, in particular by engagement with stakeholders.

“Improved is the key of the Sigma Guidelines. This is not achieved by prescribing the levels of performance in the Guidelines themselves but by setting out how organisations should set the performance targets that are consistent with the operating principles they have adopted; measure their performance against these targets over time and report against them – taking action to remedy any situations where the level or speed of performance improvements is insufficient to achieve the targets that have been set” (p.15)

October 26 – 28, Interamerican Conference on CSR, Panama

Business for Social Responsibility Annual Conference, November 11-14, 2003, at The Century Plaza Hotel in Los Angeles, California USA. The largest and one of the most important forums for CSR practitioners; over 1000 participants; www.bsr.org

Strategies For Effective Stakeholder Engagement, One-day conference, London, November 4th 2003. Speakers include AccountAbility, Vodafone, BAT, Thames Water, Insight Investment, TGWU, Anglo American, BASF, URS Corporation, Nokia, WWF International, United Utilities, AWE, Telefonica, Bayer, Marks and Spencer, MORI and many others. <http://www.ethicalcorp.com/dialogueandreporting/>

Developing Social and Environmental Reporting, Two-day conference, London, November 5th-6th 2003. Speakers include ACCA, The Co-operative Bank, Shell International, Safeway, BT, Premier Oil, BITC, GRI, HypoVereinsbank, SCA, National Grid Transco, Carillion, EIRIS, Volkswagen, WBCSD, Holcim, Novozymes, United Utilities, Camelot, The BBC, Hewlett-Packard, CorporateRegister.com, and many more <http://www.ethicalcorp.com/dialogueandreporting/>

Ethical Corporation Labour and Human Rights, Two-day conference, Brussels, November 19th-20th 2003. Followed by one-Day Warwick Business School Workshop - November 21st
Speakers include The ILO, European Commission, Levi Strauss, Gap, Carrefour, Chiquita, ABB, Save the Children, Statoil, Premier Oil, BASF, Insight investment, Novo Nordisk, Kenyan Human Rights Commission, Allianz-Dresdner, International Alert, Amnesty International, The ETI, The IUF, The ICFTU, Insight Investment and many others.
<http://www.ethicalcorp.com/labour2003>

Corporate Social Responsibility and Development, 17 – 18 November, Geneva, UNRISD conference
13 Nov. global consultancy Burson-Marsteller conducts a cross section survey of “hard to reach highly influential” 56 NGOs specializing in human rights, the environment and community services about their views on corporate social responsibility reports.

http://biz.yahoo.com/prnews/031113/nyth053_1.html

30 Nov. New vacancies in the CSR and SRI fields currently posted at

<http://www.ethicalperformance.com/recruitment/index.shtml>

include:

- Corporate Social Responsibility Manager, Company not disclosed, Hampshire, UK
- Corporate Responsibility Researcher/Consultant, Ashridge Centre for Business and Society, Hertfordshire, UK
- Executive Director, The International Social and Environmental Accreditation and Labelling (ISEAL) Alliance, Bonn, Germany
- Director of Monitoring, Fair Labor Association, Washington DC, US
- Loan Manager, Triodos Bank, Bristol, UK
- Business Development Director, Ethical Consumer Information Systems,

Manchester, UK

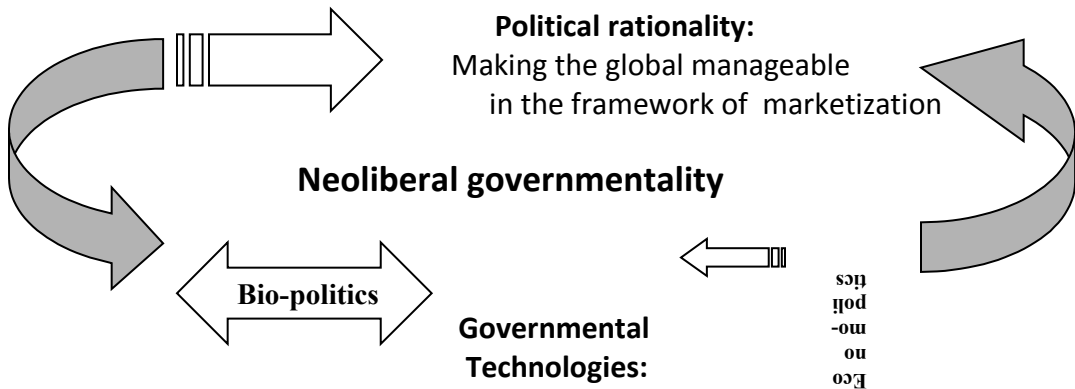
- Corporate Programmes Officer, Earthwatch (Europe), Oxford, UK
- Recruitment Consultant, Ruston Wheb, London, UK
- Licensee Program Officer, Fair Labor Association, Washington DC, US

Jim Bendell, Waking up to Risk: Corporate Responses to HIV/AIDS in the workplace, UNRISD publication (14 Nov 2003)

<<Opportunity Space. How communications agencies can turn corporate social responsibility, industry's newest challenge, into business », the advertising sector raises the issues of corporate social responsibility and sustainability in relation with corporate communication strategies, report by SustainAbility for European Association of Communication Industries EACA

Following the successful launch of a pilot scheme early this year, the Overseas Development Institute and International Business Leaders Forum are delighted to announce that applications are now being considered for places on both the March 2004 and October 2004 programmes of the Partnership Brokers Accreditation Scheme (PBAS). Details. www.odi.org.uk/pppg/pbas/scheme.html

Annex 2. Neoliberal Governmentality, explained in a chart form.



Effects on Corporate and Human Subjects:

cost- benefit calculating;
 profit-gain maximizing;
 empowered;
 fit and lean enduring
 flexible
 responsive

competitive
 entrepreneurial
 selves

- Governmental Technologies:**
- restructuring of political, juridical, social, environmental on the model of the market
 - digitalization and centralization of observation/surveillance (consumer and security data banks; digital corporation)
 - global standardization and coherence of governmental techniques (ISO, GRI, Codex Allim.Com, Harvard Logical Framework, Gender Log Frame, NPM, other performance, audit & verification)
 - narratives of efficiency and fitness (on disciplined budgets, credit ratings, slender body) steering individuals & firms into fitness landscapes
 - responsabilisation of subjects
 - customization of difference;

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Global Bio-politics and Corporations as the New Subject of History

Summary

This paper was inspired by the author's curiosity about the sudden avalanche of statements on corporate social responsibility (CSR) from state and inter-state organisations. The first part of the paper offers a discourse analysis of CSR, while the second investigates CSR by looking at the effects of corporate activities on human and non-human life. Two theoretical toolkits are employed in the analysis of CSR: Michel Foucault's analytic of power, and the social ecological life cycle analysis, a kind of critical product genealogy, developed by the author in her earlier work based on feminist and ecological economics.

CSR is a pastoral discourse on profits and morals, which assigns blame and absolves by audit. Of principal concern are not corporate obligations, but rules, procedures and techniques for reporting, auditing as well as verifying the auditors. The CSR assurance standards require corporations to engage in a perpetual dialogue with civil society. Given the latter has been reorganised conceptually and politically as stakeholders, the form and terms of the dialogue allow for integrating resistances with powers they oppose and smooth the edges of social conflict to ensure uninterrupted multiplication of financial capital. By engaging with the CSR discourse the state found a useful solution to its own withdrawal from regulating the social and environmental effects of industrial production. Responsibilities are subcontracted to corporations. The double move, to target individual corporations as the source of problems, and to make them responsible for resolving it allows to govern at a distance, and forestalls the need for alternative rationalities and techniques of government. The discourse on CSR is not so much a remedy to social and environmental ills of globalisation, but a political technology for the (re)production of neoliberal government.

Crucial to making sense of CSR is the double persona of corporations: a moral one which subjects itself to audit, and the one charged with the responsibility to generate wealth and profits. To unpack this bond between profits and morals the paper analyses social and environmental costs of production, using the computer industry as an example. The analysis shows the costs are disproportionately transferred to life stripped of political, social, and sexual rights. Global supply of people desperate for jobs, unpaid and underpaid women's work, and powerlessness of communities allow to externalize the costs of making profits to the Global South. Hidden behind the moral appeal of corporate responsibility is a war against people and environment. The roots of the problem lie not only with corporations, as with the patterns of generation of added value and models of economic governance. As Teresa Brennan (1997, 2000) showed in her reworking of Marx's theory of value, human bodies and nature (living nature linked by exchange of energy) are indispensable resources for the reproduction of capital. Had corporations truly internalised the social and environmental costs of production they would go out of business. Unless market rules are transformed, corporations will have no choice but to consume and kill life in order to make profits. It is hence vital to make states regulate for alternative forms of market governance.

