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Item Type	Conference proceedings
Authors	Edward, Peter;Willmott, Hugh
Publisher	ISBEE
Rights	With permission of the license/copyright holder
Download date	2026-06-26 16:18:06
Link to Item	http://hdl.handle.net/20.500.12424/188717

'POLITICAL CSR' AND THE LIMITS OF DELIBERATIVE DEMOCRACY

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Summary

It has been argued that globalisation is changing the historical relationship between corporations and society (Scherer & Palazzo, 2008). As globalisation undermines the relative autonomy of governments, and reconfigures commercial networks and practices, traditional understandings of corporations, in which they are regarded as essentially economic institutions distinct and separate from the political sphere, are becoming less credible and relevant. The liberal democratic notion that governments collate, adjudicate and represent the interests of citizens, which are then transposed onto corporations through their effective regulation, is increasingly supplanted by an acknowledgment that doing business is, in and of itself, a form of political action. Increasingly, this is not limited to a recognition of the socially and ecologically impactful consequences of business. Rather, it extends to a growing acknowledgement of how the conditions of possibility of 'doing business' are themselves socially and politically contingent. Thus, 'business action' is inseparable from 'political action'. In turn, this suggests that a new theory of the firm is required. Specifically, in the context of today's post-Westphalian order or post-national constellation, it has been argued that 'political CSR' (Scherer & Palazzo, 2011; Scherer & Palazzo, 2007) can effectively articulate (and promote) such an understanding. We welcome this intervention because we believe that the idea of 'political CSR' may be a useful motivator for political action. However, we question whether this idea can ultimately provide an adequate basis for advancing a credible theory of the role of business in society. A more persuasive approach to this crucial issue, we submit, is provided by post-foundationalist thinking. To support this claim, we revisit cases commended by advocates for 'political CSR' to show how our preferred alternative approach offers a less problematical way of analysing and understanding the issues raised by them.

Keywords: globalization, nation-state, political CSR, deliberative democracy, post-foundational political theory, liberal democracy, Habermas, Laclau

Introduction

It has been widely argued that globalisation is changing the historical relationship between corporations and society (for example: Scherer & Palazzo, 2011; Kobrin, 2009). As globalisation acts to weaken, or at least complexify, the autonomy of governments, and to modify commercial networks and practices, traditional understandings of the corporation are becoming increasingly difficult to sustain (Scherer, Palazzo, & Baumann, 2006). According to proponents of this view, this is rendering corporations "politicized in two ways: They operate with an enlarged understanding of responsibility and help to solve political problems in cooperation with state actors and civil society actors. Furthermore, they submit their growing power and political engagement to democratic processes of control and legitimacy." (Scherer & Palazzo, 2008, p. 426)

From this, it is understood to follow that: "The challenge of CSR in a globalizing world is to engage in a political deliberation process that aims at setting and resetting the standards of global business behavior. While stakeholder management deals with the idea of internalizing the demands, values and interests of those actors that affect or are affected by corporate decision-making, we argue that political CSR can be

understood as a movement of the corporation into environmental and social challenges such as human rights, global warming, or deforestation.” (Scherer & Palazzo, 2008, p. 426-7)

As the relationship between state and non-state actors and agencies changes (Sklair, 2002), corporations are adopting roles formerly assumed to be the responsibility of governments, and indeed are under growing pressures from non-governmental organizations (NGOs) as well as governments to demonstrate their ‘good citizenship’. Through privatisation of utilities as well as elements of the welfare (and warfare) state, corporations increasingly provide goods and services previously delivered by the public sector. Through arrangements such as ethical codes, product certification and similar corporate social responsibility (CSR) practices, the hard law of statutory regulation is also augmented and supplanted by ‘voluntary civil regulation’ (Vogel, 2008). In an evolving system of global governance corporations increasingly play a direct role relatively unmediated by national governments (Scherer, Palazzo, & Baumann, 2006). In the case of developing countries and failed states, corporations find themselves (often expediently) assuming responsibilities and functions that would more typically be considered the province of national governments - as, for example, in the case of the implementation of global labour and human rights standards through supply chain certification processes such as those promoted by the Fair Labor Association (FLA).¹

These developments are encouraging a sharper focus (both in practice and in theory) on what is characterized as the ‘political role’ of corporations. In the next section we review the idea of ‘political CSR’ to highlight what we regard as its distinctive contributions and limitations. As the philosophical and sociological basis for our critique of ‘political CSR’ has been presented elsewhere (Edward & Willmott, 2012; Edward & Willmott, 2008), in this paper we concentrate on exploring the benefits of adopting a post-foundational approach to ‘political CSR’. First, we briefly outline what is meant by a post-foundational philosophy of the political and identify a number of distinctive insights offered by such an approach. Then, in the remainder of the paper, we refer to a number of empirical examples to illustrate how a post-foundational approach provides very different understandings and research questions than are contemplated by Scherer and Palazzo’s deliberative model of ‘political CSR’ (Scherer & Palazzo, 2007; Palazzo & Scherer, 2006). We applaud the radical motivation of ‘political CSR’ and are gratified to see such receptivity to the notion that we need to understand corporate actions as a form of political, rather than merely economic, activity. But we question whether deliberative democracy is an appropriate basis for developing ‘political CSR’.

The Idea of ‘Political CSR’

Liberal democracy and the de-politicization of business theory

Understanding the firm as a political actor has been a long-standing, if rather occluded, theme in CSR and ‘business and society’ analyses. This occlusion is a feature of modern liberal democratic theory in which legislatures are understood to provide collectively binding decisions, on behalf of society, that *inter alia* restrict and regulate societal (including corporate) activity. In this model, the moral function formerly carried out by institutions such as the Church becomes increasingly fulfilled by laws imposed by a political subsystem whose legitimacy rests upon liberal democratic accountability. The ultimate test of legitimacy here is whether free citizens are willing to support at the ballot box the resulting constraints imposed on their freedoms: “Morality and ethics are no longer needed to keep [modern] society going. Law suffices...The unique legitimizing force of positive law as a modern medium of governance is its *procedural* rationality.” (Willke & Willke, 2008, p. 33) “Liberal democracy”, it is claimed, “rests on the assumption that all spheres of society (except for the political system) must be liberated from the

¹ <http://www.fairlabor.org/fla/>, accessed 8 May 2012

influence of politics so they are able to pursue their own logics, rationalities and goals.” (Willke & Willke, 2008, p. 32) As a consequence of this model’s idealized differentiation of the spheres of politics and economics, corporations come to be conceived as existing within a de-politicized subsystem that is driven by, and accountable to, a purely economic logic - as characteristically expressed by Friedman (1988), the ultimate libertarian. For advocates of liberal democracy, the full application of this structural principle - which “de-politiciz[es] *all* spheres of society except politics” (Willke & Willke, 2008, p. 32 original emphasis) - is a hallmark of modern societies and equivalent to the perfection of politics.

To advocates of this liberal view, any political practice which promotes or legitimizes a de-differentiation of the economic and the political spheres - so that the latter (re)contaminates the former - represents a potentially dangerous regression to a pre-modern order in which questions of morality re-intrude into the economic subsystem. From this standpoint, any attempt to repoliticize, and to theorize the repoliticization of, corporations is, at best, a “presently necessary regression to past moralities” (Willke & Willke, 2008, p. 37) – that is, it is an expedient, regrettable and transient stop-gap to be admitted as an interim measure prior to an effective modern system of liberal governance and transnational economic activity for global society becoming established. Such analyses have tended to interpret the ‘social role’ of business as an *instrumental supplement* to political processes, as for example in Carroll’s widely reproduced ‘pyramid’ of CSR (Carroll, 1991). In contrast, in less conservative CSR theorising the role of business in society has been more explicitly conceived as of political, rather than merely economic, significance. Examples include Integrative Social Contracts Theory (ISCT) (Donaldson & Dunfee, 1999a; Donaldson & Dunfee, 1994) and, more recently, the re-emergence of Corporate Citizenship (Moon, Crane, & Matten, 2005; Matten & Crane, 2005).

Beyond the Liberal Model

By exploring how legitimate, albeit contingent, macro- and micro-social contracts might be developed as principles to orient (moral) economic activity and by recognising that managers take decisions in conditions of bounded moral rationality, ISCT develops a political orientation to CSR.. In ISCT, stakeholder engagement and inclusive processes for arriving at consensus² are conceived to form the basis for adjudging the legitimacy of normative contractual principles. In the earlier versions of ISCT, a (supposedly) global convergence of patterns of religious, cultural and philosophical beliefs around certain core principles was proposed as providing clues to universally shared ‘hypernorms’. In this version, legitimate norms of behaviour by business and managers rely on processes of consensus through which social contracts are formed that embrace both particular and contingent (locally-specific, culturally derived) micro-norms and universal and generalisable macro-norms, hypernorms. Empirical analysis would, it was hoped, help to separate the micro from the macro so as to identify the universal (hyper)norms – the existence of which might establish, or identify, unequivocal boundaries on the moral free space of economic communities, thereby avoiding charges of ethical relativism. (Donaldson & Dunfee, 1994) Subsequently the notion of universal, and hence a-political, hypernorms has become displaced in ISCT in favour of a greater recognition that, because consensus about norms is ultimately a contingent (and therefore political) social construction, hypernorms themselves must remain hypothetical {Donaldson, 1999 #2727}{Donaldson, 1999 #2649}. At best, hypernorms will always be opaque and inaccessible to us (Donaldson) but, quite possibly, they are themselves contingent and hence political rather than universal (Dunfee) {Donaldson, 2009 #3958}.

In contrast to ISCT, which has its origins in academia, the notion of Corporate Citizenship (CC) has re-emerged in recent decades mainly through advocates of CSR within corporations and consultancies. The

² “[F]airness is secured simply by including among the contractors all persons whose interests are affected and by requiring consensus in the adoption of the terms of the contract” (Donaldson & Dunfee, 1994, p. 260)

term can be traced back to the 1950's but was largely eclipsed by the ascendancy, predominantly driven by academics and non-corporates, of CSR terminology from the 1970s (Johnson, 1958; Hackett, 1969). In the mid-1990s, CC was revived by practitioners, and spread rapidly across corporate discourse before being embraced by academics (Altman & Vidaver-Cohen, 2000). Notably, as part of this attempted re-appropriation by academics Matten and Crane (2005) turned to political theory for a definition of citizenship to inform their challenging conjecture that "the corporate role in contemporary citizenship is far more profound [than conventional views recognise], and ultimately in need of urgent reappraisal". When developing the political dimension of their idea of citizenship, Matten and Crane distinguish three broad understandings: 'limited', 'equivalent' and, of most importance, 'extended'. The first two are considered to be similar to 'conventional' CSR thinking. That is because they amount to little more than ('limited') philanthropy or they are indistinguishable from (hence 'equivalent' to) established notions of CSR. The third, 'extended' conception of CC is commended as a means of moving beyond such received ideas by emphasising the re-politicizing significance of citizenship (Matten, Crane, & Chapple, 2003; Crane & Matten, 2004). In the 'extended' view, the demand is for corporations to recognise the responsibilities associated with a *creeping movement into roles that formerly were the exclusive responsibility of governments*; and, more normatively, for corporations *to be held accountable for their actions, or inactions, with respect to these quasi-governmental roles* (Matten & Crane, 2005). 'Deliberative participation' is the favoured mechanism for achieving this vision of corporate citizenship, in which "the main criteria for those taking part in participative discourses are impartiality, non-persuasiveness, non-coercion, and expertise" (2005, p. 443).

Theories such as ISCT and CC populate the more progressive regions of the discursive landscape of CSR from which Scherer and Palazzo's concept of 'political CSR' emerges. Changes and extensions in the role and relationship between business and (civil) society are central as they ascribe to corporations quasi-governmental roles. In turn, corporations are exposed to political contestation and associated pressures to demonstrate political, rather than merely economic, legitimacy.³ Deliberative processes of consensus formation (with their resonances with stakeholder theory) are commended by advocates of 'political CSR' as the preferred basis for addressing the (new) political moment.

'Political CSR'

In a stream of increasingly influential articles, Scherer and Palazzo have drawn on Habermas's theory of deliberative democracy to address and press the growing demand for greater corporate engagement with, and transparency to, civil society organisations (Scherer, Palazzo, & Matten, 2009; Scherer & Palazzo, 2011; Scherer & Palazzo, 2007; Palazzo & Scherer, 2006). 'Political CSR' is proposed as a more relevant alternative to a, typically 'liberal', model of democracy and citizenship that presumes the (ideological) separation of the economic from the political. Whereas the liberal model rests on the notion that governments collate, adjudicate and represent the interests of citizens (with those interests then being transposed onto corporations through effective forms of regulation), by contrast, 'political CSR' proposes that in the context of today's post-Westphalian order (Kobrin, 2008), or post-national constellation (Habermas, 2001), the conventional, liberal differentiation of the political from the economic must be, and is being, increasingly supplanted by an acknowledgment that doing business is, in and of itself, a form of political action, and that therefore a new understanding of business and a new theory of the firm is required. The deliberative model of 'political CSR' can, Scherer and Palazzo argue, effectively articulate (and promote) such post-liberal understandings.

³ Blowfield has referred to this as the transition from a concern with the business case for CSR to a focus on questioning and testing society's case for business (Blowfield, 2005)

In proposing the concept of 'political CSR', Scherer and Palazzo recognise how an emergent transnationalism undermines, perhaps fatally, the assumptions of the liberal model of democracy. 'Political CSR' responds to a growing incongruity between the liberal model and an increasingly politicised interaction between the public domain and the activities of corporations, especially transnational corporations (TNCs), where questions of morality or responsibility are raised. The aim of 'political CSR', it is worth stressing, is recognised here as not merely to patch over a temporary disruption of liberal democracy's shibboleth of sub-system differentiation but, rather, to dispel that mythical presupposition in order to develop:

"a new understanding of global politics where private actors such as corporations and civil society organizations play an active role in the democratic regulation and control of market transactions. These insights may enrich the theory of the firm with a more balanced view on political and economic responsibilities in a globalized world" (Scherer & Palazzo, 2011, p. 901, emphasis added).

What is meant by 'balanced' is unclear but a suggestion of its radical intent is indicated in personal correspondence with Palazzo in which he characterizes the 'political CSR' "proposition as a first attack on the current system that hopefully would trigger more revolutionary thinking about business and democracy" (Palazzo, 2011). The traces of this aspiration are evident also in Scherer & Palazzo's recent comments on the political significance of CSR where 'CSR' is used as "an umbrella term for the debate on the role of business in society. In the literature there are various concepts that we consider part of the CSR field: e.g. business ethics, business and society, corporate accountability, corporate citizenship, corporate sustainability, critical management studies [CMS], stakeholder theory, etc." (Scherer & Palazzo, 2011, p. 922). This broad interpretation includes not only questions about the role of business in society but the more radical concerns of CMS (e.g. Banerjee, 2007), and thus implies that the target of the attack is *the wider systemic relationship* between business and society.

Limits of 'Political CSR'

In the spirit of appreciative critique, we welcome Scherer and Palazzo's 'political CSR' as an intervention that embraces a radical aspiration and has rapidly assumed an influential, critical position in debating the changing role of business in society. We note that their conception of 'political CSR' is derived and developed from Habermasian deliberative democracy which they commend because it is "able to acknowledge the contribution of both state and non-state actors to global governance, both in the traditional institutionalized processes and in processes of public deliberation that emerge outside the traditional realm of institutionalized politics." (Scherer & Palazzo, 2011, p. 918) Elsewhere we have drawn on philosophical critiques of Habermasian deliberative democracy to question whether it offers a viable basis for 'more revolutionary thinking about business and democracy'. Deliberative democracy's emphasis on pragmatic proceduralism and its reliance on an overly idealistic telos of consensus retains, we have argued, residues of liberal democratic theory that eventually will impede the development of a re-politicised understanding of business and management. For a much fuller discussion of these issues see (Edward & Willmott, 2012) where we have argued that notwithstanding that deliberative democracy provides an appealing and initially useful response to the current changing context of the role of business in society, ultimately it will prove to be a limited, insufficiently potent, antidote to the (toxic) attractions of liberal democratic theory because deliberative democracy relies on an understanding of the political moment which understates the significance of the discursive construction of norms and identities within institutional settings (Edward & Willmott, 2008).

Instead, 'political CSR', we submit, can be more effectively advanced through an engagement of post-liberal democratic theory informed by post-foundational political thought (Marchart, 2007). In *its*

formulation of 'political CSR', a post-foundationalist approach makes central the significance of the tensions and undecidabilities in the relationships between practices and norms, between universals and particulars, and between ethics and the political. The chief advantage of a post-foundational approach is that it fully dedifferentiates the economic (and any other 'sub-systems') from the political. Furthermore, unlike 'political CSR' it does this without resorting to arguments that its political philosophy is relevant today just because some historically contingent social change is occurring in which a prior separation of the political from social and economic systems is increasingly undermined or modified (whether temporarily or as a transition to some new order). Post-foundational theory conceives of every social order as always a contingent product of the political. In other words, the political never was differentiated from the social order/system (whether through sub-system differentiation or in Habermasian system-lifeworld differentiation). In post-foundational theory, meaningful order and the political are always inescapably intertwined.

For us therefore, 'political CSR', ISCT and/or 'extended' Corporate Citizenship (CC), do not point primarily to a progression from the functionally differentiated system of liberal democracy to a more interdependent deliberative practice of democracy. Instead they indicate that the long-standing hegemony of the liberal model does not lie in the *de facto* separation of the economic and political spheres. Rather, this model relies upon the myth that these spheres have been, or could be, differentiated. Most CSR theory, and the politically attuned dimensions of ISCT and CC in particular, should be regarded as ongoing acts of reactivation and exposition that start to debunk this myth. If we are to build robust theory, we must start not by understanding the de-differentiation of the political and the economic as a progressive evolution of (high-)modernity, as exemplified in Habermasian deliberative democracy. Instead, we should embrace the more logically consistent starting point of rejecting any suggestion that the economic ever was, or ever could be, isolated from the political.

Post-foundational political philosophy

Our concerns on this count are exacerbated when we find Scherer and Palazzo invoking Rorty's 'liberal pragmatism' as a justification for their prioritising of the political over the philosophical (Scherer & Palazzo, 2011, p. 906). By displacing questions about the philosophy and ontology of the political, Scherer and Palazzo establish and elaborate their conception of 'political CSR' on the understanding that adequate theory is developed merely by considering the political contingencies of the day (i.e. post-national constellation and a growing focus on stakeholder engagement and consensus formation). A post-foundational approach, on the other hand, refuses to sidestep difficult issues in political philosophy. Instead, it underpins its understanding of current socio-political contexts with an ontology and philosophy that aspires to account for how and why the contexts of today (or of any other time) have arisen and are sustained and/or changed.

Foundationalism in social and political theory identifies theories which "assume that society and/or politics are 'grounded on principles that are (1) undeniable and immune to revision and (2) located outside society and politics'" (Herzog, 1985, p. 20; quoted in Marchart, 2007, p. 11). Such non-contingent principles, which can be understood as universals since they exist outside of and prior to politics or the social, include, for example, Donaldson and Dunfee's speculative hypernorms and Habermas's telos of consensus. A post-foundationalist approach, in contrast, begins from a recognition of an absence: the absence of any ultimate ground to any system of socially constructed meaning. Advancing this position, Laclau and Mouffe provide one of the more extensive expositions of post-foundational political theory in which the process of subject formation is conceived to rely on socio-political articulations. A power struggle occurs between alternative ethico-political orientations with which individuals dis/identify, and so act to reproduce or transform. As successful articulations become predominant and normalised they take

on an increasingly universal role in which they become part of the unquestioned fabric of the social. In this process of normalization, or de-politicization, the contingency (or inherently political nature) of the social becomes increasingly occluded.

This process of normalization and occlusion, often referred to as sedimentation, occurs when the specificity of a signification becomes hollowed out so that, as a result, it starts to take on a more universalising meaning. The process relies on the contingent formation of powerful orienting (nodal) points around which individuals and society order their practices {Laclau, 2000 #2969}. A well established nodal point is one in which its particular meaning or significance (its content as an iterable signifier) has become emptied out. Contradictions and ambiguity in the concept are then no longer readily exposed and challenged. Instead, its significance (whether as an orienting idea or as a motivation for practical action) is increasingly taken to be an *a priori* given - a matter of such common-sense (shared meaning and media of identification) that it neither demands explanation or clarification nor would such analysis be 'worthwhile'.⁴ The more effective is this process, the more the concept takes on the character of a universal foundation and the harder it becomes to expose how it occludes its own emptiness. {Laclau, 1996 #2968}

Every socially-constructed order is therefore understood to be inextricably and comprehensively imbricated by radical undecidability (originary contradictions and ambiguity). Consequently, order can only be sustained and continuously reproduced (iterable, in Derrida's terminology) if the potentially disruptive effects of that undecidability are somehow stabilised. This means that in every socially-constructed (i.e. contingent) order it is a necessary condition of possibility that the inescapable presence of radical undecidability is, in effect, occluded and obscured. How occlusion occurs is understood to be a contingent outcome of a *political* process of ordering, or meaning making. In effect, what is inherently open assumes the guise of closure – so that this process of hegemonization is therefore always prone to disruption and reversal. Since there are no universal foundations, this political moment (or moment of decision) is an impossible closure - always incomplete, constantly open to reactivation and recontestation, and hence constantly in need of recreation and reconstitution (see Marchart, 2007, p. 154). The moment of instantiation, or stabilisation, of any contingent social order is therefore also the point at which the order disguises its own limits. And, because this moment of stabilisation lacks a universal transcendent foundation, it requires continuous (re-)affirmation to maintain its stability. It is therefore both inherently political (because it is entirely socially contingent) and inescapably ethical (because by obscuring limits to meaning it sets the normative core and associated imperatives, or common-sense, of the social order).

The post-foundational model places the ethico-political moment at the centre of the social. Liberal democracy's celebration of its separation of the economic and political sub-systems is implausible once a

⁴ Inherent to this theme is an issue which neither liberal, democratic or post-foundational/radical models of democracy deal with much as yet. This is the problem of understanding how these hegemonic articulations come to 'grip' subjects so that they identify with them and emotionally invest themselves in them. By separating the system from the political or lifeworld, liberal and democratic models effectively marginalise (occlude) this problem. Because post-foundational models place contingent subject-formation at their core, they are less able to ignore this central issue for understanding ourselves as socialised subjectivities. As Norval (2004b, p. 230) notes, there is a 'failure of both deliberative and poststructuralist (radical) models of democracy to address the question of how democratic norms and values come to grip subject-citizens.' This failure is more acute in deliberative democracy where a focus upon proceduralism marginalises consideration of 'the question of the identity-forming *ethos* of democracy' (Norval, 2004b, p. 239) and most acute in liberal democracy where individual interests and identities are considered to be atomistic and prior to any socio-political embedment. In the case of post-foundational radical democracy, attention is increasingly being paid to the psychic formation of the subject (for example through a Lacanian understanding of identification as in: Glynos & Stavrakakis, 2004; Glynos, 2001) but even so, as Norval acknowledges, 'the construction of democratic subject positions is often relegated to the domain of mere contextual political articulation' (Norval, 2004b, p. 230). Although this remains an area where much further work is needed, the fact that post-foundational approaches increasingly recognise the problem of 'grip' (and are forced to do so by their theoretical orientation) reinforces our case that there are dangers in developing 'political CSR' solely with reference to deliberative democracy. (For a fuller exposition of our position on this see Edward & Willmott, 2008; Glynos, Klimecki, & Willmott, forthcoming)

post-foundational philosophy of the political has been accepted. Deliberative democracy's privileging of a universal telos of consensus is seen in the same light. Notably, Rescher (1993) has shown how, in deliberative democracy, the idea of consensus serves as an idealization, and notes how "An idealization ... involves the projection of a hypothesis that removes some limit or limitation of the real" (Rescher, 1993, p. 196)⁵. His questioning of consensus leads Rescher to focus on the workings of dissent (and hence on practices of power). He identifies both the absence of clear boundaries between consent (agreeing to a decision), acquiescence (going along with a decision), compromise (between interests) and cooperation (in pursuit of differing interests) and the productive potential of dissent as a source of change and creativity. This neatly shows how the idea(lization) of consensus (i) occludes differences that could expose its own limits and (ii) is ultimately depoliticizing as it privileges certain norms of behaviour at the expense of devaluing other politically productive behaviours. It is to precisely these sorts of depoliticizing manoeuvres and technologies that a post-foundational approach is alert. And it is because of the strong potential for depoliticizing conservatism inherent in deliberative democracy that we believe it is important to challenge the deliberative model of 'political CSR'.

We have discussed elsewhere (Edward & Willmott, 2012; Edward & Willmott, 2008) how this privileging of consensus focuses attention on the *design* of procedures that can enable its formation. Civil society organisations are presented as "associations and movements that map, filter, amplify, bundle, and transmit private problems, needs, and values [and] are the core actors in the process of democratic will formation." (Scherer & Palazzo, 2007, p. 1107; see also Habermas, 1996). From a post-foundationalist perspective, privileging political action that contributes to these processes of aggregation devalues the socio-political productivity of dissent (Rescher, 1993), and so diverts attention away from the importance of unregulated arenas of social contestation and meaning-making in which much (maybe most) political activity and subject-formation takes place.⁶

A post-foundational model of democracy affords a distinctive (and we would argue a less depoliticizing, or dangerous) perspective from which to address the concerns of 'political CSR'. When advocating such a model, Norval (2004a) argues that 'consensus' is a political (hegemonic) accomplishment, and not the outcome of a rational process in which agreement, rather than an uneasy accommodation, is reached. In a post-foundational conception of democratic process, there is "an emphasis on the construction and articulation, rather than mere aggregation, of interests and identities" (Norval, 2004a, p. 151) through processes of discursive and practical struggle. Social interaction and communication, including democratic modes of social formation, are not understood to reveal pre-given interests and identities but, rather, to create and transform interests and identities. Attention is given to "the process of subject formation in general, and the constitution of democratic identities in particular" (Norval, 2004a: p. 151), as contrasted with a focus upon procedures that are deemed or intended to demonstrate or guarantee the democratic development of society.

In sum, a key feature of a post-foundational perspective is its focus on how hegemonic articulations (presentations and instantiations of socio-political orientations and subject positions) become constructed through the occlusion of radical undecidability. This occlusion relies on the intertwining of discourses and practices which make the world sensible (meaningful, contingently ordered, significant) through the emergence and institutionalization of practices which occlude their own internal contradictions and limits.

⁵ Rescher (1993) urges a shift away from political theory derived from foundational ideals. However, he does not advocate a post-foundational perspective. Instead, he commends greater attentiveness to pragmatic political action in contexts of undecidability. Rescher's pragmatic realism impedes him from pursuing a post-foundational route which would demand an understanding of how the idealization of consensus hides its own limits by becoming and continuing to be accepted as a widely-held and relatively unquestioned norm.

⁶ For a fuller discussion of the significance of unregulated arenas of social contestation see: (Baur & Arenas, forthcoming).

This occlusion of radical⁷ limits arises when the significance of ideas and actions are assumed to be universal, normal commonsense (cf. Donaldson and Dunfee's universal hypernorms which ultimately proved increasingly problematic to identify and describe), something which occurs when the content of the idea or action becomes emptied or hollowed out of any particular content (since a focus on particulars would serve merely to expose contradiction and ambiguity). Being 'political' then becomes a matter of exposing these pseudo-foundational orientations in order to reactivate (de-normalize) articulations that have become hegemonic.

Getting empirical

How then might a post-foundational, rather than deliberative, perspective on 'political CSR' contribute to understanding business as a political actor in society and/or to re-politicizing the economic sphere? To explore this question we consider three examples. The first two - the Fair Labor Association (FLA) and the Forest Stewardship Council (FSC) – are identified by Scherer and Palazzo and others, as exemplars of deliberative democracy in practice. Our third example takes up a recent empirical study of Shell in Nigeria that explicitly attempts to apply the 'political CSR' model. Collectively, these examples expose various limits to 'political CSR' which, we argue, would be better recognised and addressed through a post-foundational philosophy of the political.

Fair Labor Association (FLA)

FLA and FSC have been singled out as organizations that “attempt to establish an institutional context in which the use of superior power in decision-making becomes more difficult.” (Scherer & Palazzo, 2011, p. 917) Scherer and Palazzo are under no illusions that these organisations achieve the ideal conditions of a power-free discourse, but they are considered to be among the better current examples of inclusive deliberative multi-stakeholder initiatives. John Ruggie, former UN Special Representative on business and human rights, has described FLA as “the gold standard among voluntary [multi-stakeholder] initiatives” (Ruggie, 2009). Set up in 1999 as the outcome of a process initiated by US President Bill Clinton in 1996, the FLA website describes how Clinton “challenged leading apparel and footwear companies and representatives of labor, consumer, religious, and human rights groups to take steps to improve working conditions around the world and to provide the public with information it could use to make informed purchasing decisions. The [Apparel Industry Partnership (AIP)] took up the challenge and helped to create an organization [FLA] that required affiliated companies to abide by a code of conduct and monitoring requirements, established an accreditation program to determine whether company obligations were met, and instituted a public reporting mechanism to inform consumers about company participation and compliance.”⁸

While not wishing to deny that the existence of FLA has likely had, and will continue to have, a positive impact on some labour standards in some multi-national supply chains, we are concerned that celebrating FLA as a “gold standard” of business-society deliberation risks diverting attention from some significant limitations. FLA has a tripartite board comprising representatives of affiliate members (the member corporations), consumers and civil society organisations. This may look like a model structure but in practice there are serious shortcomings. Consumers, for example, are represented mainly by university representatives whilst civil society is represented by a limited number of (mainly western) NGOs focused mainly on human rights issues.

⁷ Radical is used here, and throughout this paper, in its original etymological sense of being at the root or core.

⁸ <http://www.fairlabor.org/fla/go.asp?u=/pub/mp&Page=History>, accessed 26 Jan 2012

FLA has always used university campuses as a way to lever consumer pressure on suppliers. FLA-affiliated universities require their licensees – companies manufacturing or sourcing products bearing university marks in the U.S. or overseas – to register with FLA. Meanwhile, students are encouraged to get involved with FLA awareness campaigns as “catalysts for social change”⁹. It is relevant to note that there has emerged a dissenting voice on US campuses in the form of the United Students Against Sweatshops (USAS) movement. USAS members lambast FLA as the “corporations’ sham ‘Fair’ Labor Association, notorious for whitewashing the sweatshop abuses of companies that pay their bills and sit on their board”¹⁰. In opposition to FLA, USAS has promoted “The Worker Rights Consortium (WRC) ... an independent labor rights monitoring organization, conducting investigations of working conditions in factories around the globe.”¹¹ In terms of wider civil society engagement, it is also noteworthy that trade unions are absent from FLA. The US apparel trade union UNITE was involved in the original AIP discussions but pulled out prior to the formation of FLA. The low participation of unions may not be coincidental as a recent study of FLA membership found that pressure from unions in the country of origin of a firm reduced the likelihood that the firm would join FLA (Marx, 2008).

There are therefore significant shortcomings in FLA as a forum for inclusivity and debate. Our concern is that in any organization which aspires to be democratic dissent should be welcome, and perhaps actively encouraged. Once we start to identify organisations such as FLA as “gold standard” exemplars of deliberative processes, it becomes easier to lose sight of excluded and dissenting voices. Rather than drawing in these voices, a notion of ‘political CSR’ that unreservedly commends FLA as an exemplar of ‘good (deliberative) practice’ risks aiding and abetting the effective silencing or suppression of those voices. The impetus for inclusive and open deliberation that in principle animates deliberative democracy tends to evaporate when such cases are held up as exemplars of practices of deliberation. In effect, the idea(l) of deliberation becomes complicit in occluding the limits and failings of deliberative practices.

By promoting FLA as a “gold standard” for deliberative responsibility, FLA is naturalized as the hegemonic authority on industry labour practices. This normalisation does not rely only on FLA’s actions alone. As it becomes recognised as *the* player in this area, FLA is expanding its activities beyond the apparel industry. In doing so, its status is reinforced and reaffirmed by major corporations - as when, for example, in response to NGO criticism of child labour on cocoa plantations, Nestlé’s Executive Vice President for Operations, José Lopez, spoke up for FLA in November 2011 on the occasion of Nestlé becoming the first food company to partner with FLA:

“Child labour has no place in our supply chain ... We cannot solve the problem on our own, but by working with a partner like the FLA we can make sure our efforts to address it are targeted where they are needed most. ... In the past we haven’t been able to find a credible partner which has the capacity to help us with this kind of project ... Now we have found an organisation that can help us contribute to addressing the problem of child labour.”¹²

Or, to give another example, following high-profile media coverage of child workers at its Taiwan-based supplier Foxconn, Apple announced in January 2012 that it too will join FLA.¹³ For both Nestlé and Apple, FLA has been embraced as a legitimate responsible partner that can enable these corporations to outsource what, reluctantly, are now acknowledged to be responsibility for conditions of work in their

⁹ http://www.fairlabor.org/fla/go.asp?u=/pub/mp&Page=CU_FAQ, accessed 26 Jan 2012

¹⁰ <http://usas.org/2011/12/23/top-eleven-2011/>, accessed 8 May 2012

¹¹ <http://www.workersrights.org/about/>, accessed 8 May 2012

¹² http://www.nestle.com/Media/NewsAndFeatures/Pages/Fair_Labour_Association.aspx, accessed 8 May 2012

¹³ <http://www.wired.co.uk/news/archive/2012-01/16/apple-unveils-suppliers-joins-fla>, accessed 8 May 2012

supply chain.¹⁴ Our concern is not that Nestlé or Apple joining FLA might be corporate greenwashing – in fact we are inclined to think that involvement with FLA may well improve labour practices in their supply chains. Our concern instead is that when examples such as these are viewed through a deliberative lens, we can become blinded to the occlusion of dissent and normalisation of hegemonic ideas. As a consequence, the focus of ‘political CSR’ on, and celebration of, practices of deliberation serves not so much to reduce the most blatant and potentially damaging or degrading and exploitative practices but, rather, to obscure the limits and failings of those practices by refusing to recognise the limits of consensus.

Forest Stewardship Council (FSC)

We have written elsewhere about dissent at FSC and the ways that reference to the FSC label can support discourses which focus on competitive advantage whilst occluding the, presumably equally important, issues of promoting and raising awareness of sustainable forestry (Edward & Willmott, 2008, p. 427). Ten years after the establishment of FSC, the Rainforest Foundation (2002) conducted a detailed (160 page) report on FSC’s activities. The full Rainforest Foundation (RF) report makes uncomfortable reading for advocates of deliberative democracy as it illustrates the vulnerability of its principles to capture and subversion. The report is highly critical of the transparency of FSC and the lack of democratic accountability. A flavour of the problems is given in the executive summary where it is noted that:

“Key stakeholders are effectively excluded from many FSC processes...Whilst legitimate forest stakeholders, such as local communities and indigenous people, remain marginalized in FSC’s decision-making processes, the influence of other stakeholders – such as certification bodies and their commercial clients – has grown...The FSC’s complaints procedures concerning certifiers and their certifications are essentially non-functioning. They are cumbersome and onerous, discriminatory against weaker stakeholders, and biased in favour of the certifiers and their commercial clients. There is therefore no effective means of redress for many stakeholders in the event of dispute...There has been a serious lack of transparency or ‘democracy of knowledge’. Key FSC processes have been undertaken without proper information being available to the membership and the wider public. This has undermined accountability of the organization...” (Rainforest Foundation 2002, p. 7).

In short, according to the Rainforest Foundation, the operation of FSC privileged certification bodies and commercial clients as it marginalized the voice of local communities and indigenous people who were unable to obtain redress from FSC which had sought to manage their dissent through a cumbersome complaints procedure.

It is possible that some failings of FSC may have been corrected since the publication of the RF report although the recent resignation of the Dutch not-for-profit organisation FERN from FSC (June 2011)¹⁵ and the many posts to the site ‘FSC-Watch’¹⁶ would suggest otherwise. The resignation of FERN followed a joint assessment in 2008 by a number of NGOs, including Greenpeace¹⁷, that “problems with FSC are so severe that supporting FSC threatens their own organisations’ credibility”¹⁸. In 2009, FERN issued a statement saying that it would resign its FSC membership if “the revision of the FSC Principles and Criteria and the inclusion of the recommendations of the Plantations Review do not result in a reversal of

¹⁴ For a similar critique of corporate outsourcing of responsibility, in this case to Fairtrade, see: (Blowfield & Dolan, 2010)

¹⁵ <http://www.fern.org/leavingFSC>, accessed 29 June 2011

¹⁶ <http://www.fsc-watch.org/> accessed 29 June 2011

¹⁷ The others were the Inter-African Forest Industry Association (IFIA), Precious Woods, Swedish Society for Nature Conservation (SSNC) and Tropical Forest Trust (TFT).

¹⁸ <http://www.fern.org/sites/fern.org/files/changes%20the%20FSC%20needs%20to%20make.pdf>, accessed 29 June 2011

FSC's current practise of certifying large-scale monoculture fast-growing plantations"¹⁹. The resignation of FERN in 2011 followed a review of the available information and concluded that "progress towards achieving the changes requested in 2008 has been insufficient".²⁰ On the other hand, other FSC members, including Greenpeace (a founding member of FSC), continue to support FSC²¹, with the Greenpeace 'brand' being widely used to endorse FSC.²²

In common with our considerations of FLA, what concerns us here is that when examined through the lens of deliberative democracy, it is likely that Greenpeace's continuing support of FSC is seen as a more legitimate political act than FERN's. By staying within FSC, Greenpeace continues to participate in direct modes of consensus formation and debate, as evidenced by their public promotion and dissemination of calls for FSC members to oppose procedural changes which they consider will weaken rather than strengthen environmental safeguards (Rosoman et al., 2012).²³ The telos of consensus that underpins deliberative democracy means that FERN's withdrawal from institutionalised procedures of debate in order to pursue their concerns and priorities within a more open and unregulated arena of public opinion formation is likely to be seen as less legitimate than Greenpeace's endeavours to change FSC from within (engagement in deliberation is good or 'constructive', disengagement is bad or 'negative'). For us, a more appropriate understanding of political action is one that recognises both approaches as legitimate political acts without implicitly *prejudging* the relative virtue or validity of the alternative courses of action. This stance, we contend, holds open the possibility that these stratagems might even be mutually supportive rather than oppositional (e.g. FERN's resignation from FSC may precipitate resignation from other high-profile organisations and thereby strengthen the capacity of those remaining within FSC, such as Greenpeace, to argue for change from within).

Shell in Nigeria

In our third example, a recent study of the CSR activities of Royal Dutch Shell in Nigeria (Hennchen & Lozano, 2011) tries to apply the model of 'political CSR' (as set out in Table 1 of Scherer & Palazzo, 2011) empirically. In doing so, this study exposes significant limitations with how the model enables us to understand both institutionalised and unregulated actions of corporations. It also calls into question the usefulness of the deliberative model as a basis for the political theorization of the TNC. Like many TNCs confronting the CSR challenge, Shell's stakeholder engagement has taken them from provision of *ad hoc* local community assistance to, more recently, the establishment of development partnerships with government agencies and NGOs. This has been a response to growing local community disaffection with the company's activities and the need to "dispel communities' perceptions from the politicized role [Shell] adopted when stepping into a public responsibility vacuum" (Hennchen & Lozano, 2011).

Hennchen and Lozano present an extensive and conflicting catalogue of impacts from, and on, Shell's CSR activities. Through the Shell Foundation, the company supports local and national development projects. Yet, the company "remains a regular target of civil society activism and litigation concerning malpractice". The catalogue of alleged and proven malpractices is substantial: avoiding liability for oil leaks; implication in human rights abuses (notably claims of involvement in the execution of Ken [Saro] Wiwa); involvement in security force attacks on local communities; and maintaining its own police force.

¹⁹ <http://www.fern.org/sites/fern.org/files/FERN%20position%20on%20FSC.pdf>, accessed 29 June 2011

²⁰ <http://www.fern.org/leavingFSC>, accessed 29 June 2011

²¹ <http://www.greenpeace.org/international/en/campaigns/forests/solutions/alternatives-to-forest-destruc/>, accessed 8 May 2012

²² See, for example, text from the copyright page of a recent Random House book "The Random House Group Limited supports the Forest Stewardship Council® (FSC®), the leading international forest certification organisation. All our titles that are printed on *Greenpeace approved* FSC® paper carry the FSC® logo." (emphasis added)

²³ <http://www.greenpeace.org/international/Global/international/publications/forests/2012/FSC%20Vote%20NO%20letter%20-%20Jan%202012.pdf>, accessed 8 May 2012

Meanwhile, widespread criticisms of a lack of transparency are exacerbated by actions such as the decision to withdraw from external audit of its sustainable performance in Nigeria, while arguing that bringing this role back in-house “signals the maturing of Shell’s reporting”. (Hennchen & Lozano, 2011)

This ‘maturing’ does not appear to extend to recognition of what Scherer and Palazzo would regard as Shell’s ‘political’ role. In an open letter from Mutiu Sunmonu, chairman of Shell in Nigeria, the emphasis is on how violent attacks and criminal gangs impede Shell’s ability to meet its sustainability obligations. Sabotage is reported to account for 80% of spill volume from Shell Petroleum Development Company of Nigeria Ltd (SPDC) facilities. Militant violence and a lack of government funding is said to have impeded plans to reduce highly-polluting and wasteful gas flaring. People remain trapped in poverty in the Niger delta, and while better community involvement since 2006, when SPDC began to let communities decide on and develop community development projects, is leading to ‘encouraging results’ the principal diagnosis appears to be that the rate of progress will depend on continued government partner funding and a stable and improving security situation (Royal Dutch Shell plc, 2010, p. 18).

The discursive differentiation of the economic from the political in this letter displaces responsibility for progress onto the government and security forces. This is in marked contrast to reports (Hennchen & Lozano, 2011) that Shell increased lobbying of the Nigerian government and succeeded in getting former Shell employees appointed as ministers of petroleum. There are also allegations of buying political influence by bribing parliamentary members, paying for trips to foreign conferences and seconding people to ministries (lobbying through the provision of expertise). Attempts to improve security in response to attacks upon Shell were found to contribute to insecurity as community protest groups slide into armed militancy. Increasingly, corporate action takes place at the disputed boundary of legitimacy and legality as it becomes intertwined with criminality and with violence between competing factions representing different elements and interests within the community:

“SPDC commonly maintains short-term operational functions through a loose network of local power-brokers, ‘strongmen’ and those who would pose most risk were they not co-opted by the company in the form of surveillance contracts. The rise of instability in the Delta has increased the volume and perceived need for such contracts. However, in the medium and longer term these relationships have damaged SPDC’s credibility and operational security. Surveillance contracts appear nominally to be a passive observation system whereby contractors are paid to report to SPDC problems such as oil spillages or other disruptions. In effect, SPDC pays local men to watch over stretches of oil pipeline. The contracts are frequently held by individuals, through a company name, and it appears routine for contracts to be made with powerful actors in communities, including political office holders such as local government chairmen. Such people often secure contracts because of their overbearing influence on security and local patronage. There is little or no transparency or accountability involved. SPDC has classified these arrangements as falling outside its formal security system, distancing implementation from Shell’s guiding security principles, which include championing the Voluntary Principles on Security and Human Rights. ... Leaders of armed groups in the Niger Delta have held contracts that obscure the channelling of protection money and bribes.” (ECCR, 2010, p. 41-42)

From the perspective of ‘political CSR’ this catalogue of problems might be attributed to a deficit in the conditions of participation and deliberation. As ECCR observes: “Shell’s and SPDC’s approach to consultation and engagement with local people has lacked transparency and due care, leading to bitter disillusionment and, arguably, heightened conflict. Their recognition of the need for improved approaches to community relations has been undermined by a lack of commitment to the painstaking processes essential to genuine human-centred development.” (ECCR, 2010, p. 77) However, we are concerned that by focusing on such processes of engagement, deliberation and participation, ‘political CSR’ invites us to

disregard the underlying political processes which produce and sustain the breakdown of communication. In this respect, we find instructive the assessment made by Nick Wood, Vice-President of Communications at Shell, that:

"When it comes to [establishing] law and order, that's not a Shell issue. This is not the sort of situation where we can get reasonable thinking people in a room and talk about it and sort things out ... The long-standing feuds between different groups of people, the huge economic interests on the legal and illegal side of things, makes this quite an intractable situation and a very difficult area to be in."²⁴

Confronting this situation between the limits of deliberative dialogue and the 'harder' instrumentalism and systems differentiation of the liberal model, Hennchen and Lozano conclude by arguing for a more hybridized approach straddling between liberal/instrumental CSR and deliberative/political CSR. Scherer and Palazzo's framework, they argue, "embed[s] the CSR debate in the changing context of political institutions and has pointed out emerging themes to allow theorizing on the politicized nature of MNCs. Arguably, a less dichotomic approach would enrich theorizing on the new political role of MNCs like Shell in a rather mixed picture of reality. The alternation between two opposing solutions is an inherently unstable solution" (Hennchen & Lozano, 2011).

In contrast, our assessment is that Hennchen and Lozano's study valuably exposes the limitations of applicability of both the deliberative and liberal models. But, we also question whether it is possible, or sufficient, to build a political theory of CSR, or of the firm, from the hybridized approach that they propose. Instead, we interpret the findings of their study as an affirmation of our concerns, and thus as providing some support for our proposal for a radically different understanding of 'the political' derived from a post-foundational orientation. Specifically, we draw attention to Hennchen and Lozano's conclusions: "In sum", they write, "we find the design of Shell's CSR agenda very much follows deliberative criteria of political CSR while in praxis features of instrumental CSR abound." (Hennchen & Lozano, 2011) Hennchen and Lozano's study shows participants caught in a tension between dialogue, engagement and rhetoric manipulation, on one hand; and instrumental practices of undeclared power politics, on the other hand. Individuals cultivate de-politicized self-perceptions and strategize to occlude their politicized role. Simultaneously, they engage in practices, outside democratic control, that serve to shape the CSR field, to assert 'what is at stake' and to control the definition, scope and very notion of CSR. (Hennchen & Lozano, 2011) It is precisely this interaction or intertwining of discourse and practice, constantly striving to make sense out of contradiction and dislocation, that is the locus of 'the political' to which post-foundational theory directs us.

Applying post-foundational perspectives to 'political CSR'

Our purpose in this paper has primarily been to show how and why a post-foundational orientation to 'political CSR' might open additional, and potentially less conservative and depoliticizing, understandings and critiques of the evolving political role of corporations. To conclude, we consider the practical impact of this on scholarship by proposing a number of research questions that a post-foundational orientation would generate for the three examples considered above.

Intriguingly, these three examples also mirror or offer test-cases for one of the most recent expositions of a post-foundational approach to power, discourse and domination. By reinterpreting Foucault's various views on power (archaeology, genealogy and problematization) in the light of post-foundational understandings that at the core of the co-constitution of structure and agency there lies an

²⁴ <http://www.justmeans.com/Shell-Sets-Context/3018.html>, accessed 8 May 2012

insurmountable, but constitutive, paradox of radical undecidability, Howarth (forthcoming) identifies three 'faces' of hegemony. In the first face, established (relatively stabilised) hegemony is understood as arising through processes of articulation in which discourses are constructed and reproduced "that can win over subjects to a particular project or coalition, whilst disorganising and marginalising opposing coalitions". The focus here is very much on articulation as structuring whereby "rhetorical redescription goes hand-in-hand with the practice of structuring the terrain of argumentation so that certain demands and interests are organised into and out of the policy-making process." Processes at work here include the use of rhetorical devices (such as metonymy and metaphor) to create complex logics that invite inclusion (logics of equivalence). But these processes go beyond rhetoric to include the practices (such as governance structures, or selection of participants) which give materiality to "a partiality in favour of exploiting certain kinds of conflict and suppressing others." (Howarth, forthcoming)

As a well-established, largely unquestioned hegemonic entity, FLA presents an excellent test-case for investigating this first-face of hegemony. For example, instead of interpreting it as a gold-standard of deliberative 'political CSR', the FLA case provides the opportunity to study the formation of a hegemonic position by asking how FLA came to be seen as the hegemonic 'gold standard' of multistakeholder initiatives? Developing a genealogy of the evolution of FLA would be a necessary part of such a case study. However the post-foundational approach would also lead us to ask how FLA's rhetoric of deliberation and inclusion is sustained as legitimate/credible even when FLA is unrepresentative. Given that so much of both the foundation of FLA and the dissent against FLA has been confined to university campuses, how has FLA been able to build credibility and acceptability with global TNCs and their customers despite (or because of) this limitation? Understanding hegemony does not require us only to investigate 'success' cases. Counter-factuals are also useful in exposing the workings of hegemony and in the case of FLA, there is a significant counter-factual because the labour standards that FLA promotes are largely modelled on, and very similar to, those of the International Labour Organisation (ILO). So, we might also ask how did FLA become in less than 15 years a 'credible partner' for Nestlé and Apple in ways that ILO could not achieve in over 60 years?

Howarth's second face of hegemony addresses the question of how dissent is managed. The issue here is not so much about what in the liberal or deliberative models of democracy would be understood as the exposing, aggregation and collation of interests. Instead the concern is closer to Lukes' third dimension of power where power is understood as practices and discourses which shape individuals' wants and interests, securing compliance by influencing thoughts and desires (Lukes, 2005). Where the first face of hegemony is concerned with constructing an invitation to a decision or a proposition for individuals to identify with, the second face is concerned with influencing the terrain of the political so as to impede the articulation of alternative propositions. This moves us beyond the liberal or deliberative models of democracy, with their concern about contesting and adjudicating the legitimacy of competing claims, to a view of the political which focuses on processes that undermine the ability for competing claims to be articulated in a way that gains traction. A post-foundational perspective focuses here on the creation of logics of difference. "A logic of difference involves the disarticulation of equivalential chains of demands and identities via practices of challenge, institutionalization, deflection, or negation." (Howarth, forthcoming) Strategies such as differential incorporation, partial co-optation, and pluralisation (for example) are used to impede the formation of competing articulations (competing logics of equivalence) so that they "do not disturb or modify a dominant practice or regime in a fundamental way." (Howarth, forthcoming)

This sort of approach offers, we argue, a way to investigate and understand the FSC example, interrogating the different practices of Greenpeace and FERN to explore how they navigate the tensions between the need to be different in order to develop competing equivalential logics while at the same time

necessarily exposing themselves to the demands of differential logics, thereby helping us to explore the continual tension between reproduction and reactivation of dominant positions. For example, from a deliberative perspective one would tend to see Greenpeace's actions as more legitimate than FERN's. By staying in FSC, Greenpeace is able to continue to participate in deliberation and, for example through publications on its website, promote transparency of (or into) FSC. Such a conclusion would however discount how these environmental NGO's share broadly similar overarching objectives. Rather than merely trying to explain why Greenpeace and FERN have chosen to act so differently, a post-foundational approach would also, by considering the combined (synergistic) influence (articulatory effect) of their different actions on discourses and practices at FSC and beyond, seek to understand Greenpeace and FERN as engaged in antagonistic processes caught between reproduction (of legitimacy) and reactivation or repoliticization.

The third and final face, or dimension, of hegemony focuses on the role of fantasy. "The logic of fantasy operates by providing a fantasmatic narrative that promises a fullness-to-come once a named or implied obstacle is overcome, and which foretells of disaster if the obstacle proves insurmountable." (Howarth, forthcoming) Fantasy therefore explains how logics or articulations come to 'grip' individuals through an emotional investment that sustains our subjective desires and identifications through the threats posed to our ideals and dreams. It is this emotional investment caught in, and arising from, the tension between our stabilising ideals and aspirational attachments and the destabilizing dimension of threats and insurmountable obstacles which is the key to successful occlusion (both in individual subjectivity and in society) of radical contingency. While all three 'faces' run to a greater or lesser degree through all three of the examples we have identified here, it is in the Shell example - where global and local issues intersect most dramatically, and where shared fears and concerns about sustainability, security and fairness collide - that the issues of fantasy are perhaps most visibly played out, not least in the emotionality invoked by multiple meanings that can be assigned to the term 'security'.

In Nigeria, Shell finds itself in the interesting position of being caught between multiple conflicting articulations. Operating both in the deeply contested socio-political milieu of the Niger delta and in the transnational arenas of global politics and economics, the corporation finds itself trying to evolve a credible (hegemonic) position. Turning to a security discourse (as opposed to, say, a developmental one) it articulates this position through practices which support that discourse even as they hollow it out. Surveillance contracts that are seemingly intended to improve security involve the recruitment of local strong men which fuels community violence. A discourse of the primacy of security is given urgency by actions, taken in the name of fostering security, that in practice serve to sustain and extend violence. Incorporating (articulating) government failings into this discourse while engaging in practices that extend Shell's influence deep into Nigerian government also helps to justify further influence over government even as it disguises the depth of Shell's complicity in government actions (whether by government officials or by security forces). We readily acknowledge that the complexity of such situations is notoriously difficult to 'read'. However, at least from a post-foundational, as opposed to a deliberative democracy, perspective we can approach them uncluttered by a tendency to focus on and privilege stakeholder engagement and processes of community participation - activities that Shell engaged with more actively several years ago and has since backed away from.

Conclusion

Our aim in this paper is to contribute to the emerging debate on the future of business, and how best to approach the problem of developing credible ways of understanding and addressing business and management in society. We welcome Scherer and Palazzo's increasingly influential concept of 'political CSR' as it directly considers a persistent theme in CSR scholarship: the effort to expose and replace the

shibboleths of liberal democratic theory by conceiving of business as an inherently political activity and corporations as first and foremost political actors. We have proposed that a post-foundational orientation is more consistent with, and has greater potential for illuminating, what Scherer and Palazzo term 'political CSR'. This approach acknowledges an inescapable radical contingency or undecidability that lies, and is occluded, at the origin of both the social and the individual subject. It assumes an ontology in which the founding moment of the socialised subject is a fantasmatic emotional investment such that the individual identifies with contingent articulations of discourse and practice in society. This founding moment is inescapably an ethico-political moment (which helps to explain why it is through the ethical orientations of CSR that business becomes exposed as inherently a political activity).

In aspiring to develop robust theory and insight that can serve as a long-term basis for understanding business and management in society as inherently political, we believe that it is crucial to start by considering the justifiability of the philosophy of the political out of which those understandings are being developed. Elsewhere we have critiqued at some length the shortcomings of the Habermasian model of deliberative democracy to which Scherer and Palazzo subscribe and which they advocate as the basis for developing 'political CSR'. The current appeal of the deliberative model, we have suggested, lies in its affinity with the contingent political circumstances of today - notably the post-national constellation arising from globalization and the greater focus on participation arising from stakeholder approaches to business. This contingency gives the deliberative model of 'political CSR' some traction or influence over current circumstances but we anticipate that this will become less convincing as circumstances change with an intensification of crises (financial, ecological, migrational, etc) associated with globalization, and so it will prove to provide an inadequate basis for a 'political' theory of business and management.

Our main aim has been to outline how a post-foundational orientation invites a very different understanding of the political and affords a very different approach to some specific examples of business as a political actor. Two of these (FLA and FSC) are presented as exemplary of 'best practice' in the sorts of multi-stakeholder initiatives that the deliberative model of 'political CSR' would draw us towards. The third (Shell in Nigeria) is a rather 'dirtier' example which we use to show the wider applicability of a post-foundational approach to 'political CSR'.

Whereas a deliberative orientation celebrates the formation of consensus as a successful political outcome, a post-foundational approach sees any such success as a contingent hegemonic outcome and interrogates how such a position arises and can be sustained. Indeed, to the extent that a hegemonic consensus relies on the occlusion of other socio-political possibilities, far from being celebrated as an exemplar of political process it should be investigated to understand how it sustains its hegemony by marking out (or articulating) the scope or field of the political. A successful and persistent (i.e. a hegemonic) articulation arises through the combined intertwining of three faces of hegemony. In the first, by subsuming particular differences under a universalising ideal (such as an idealisation of 'consensus') radical differences become occluded into a widely held and unquestioned common-sense through the formation of logics of equivalence: as occurs, for example, when FLA is held out as a gold-standard of multi-stakeholder engagement so that serious limitations at FLA become harder to expose and call into question. In tandem with this privileging of consensus, a post-foundational orientation directs our attention to the ways in which the terrain of the political becomes manipulated so as to impede the formation of competing, countervailing logics. By emphasising (through strategies such as differential incorporation, partial co-optation, and pluralisation) the particularity of opposing struggles, a logic of difference is created which impedes the formation of countervailing (counter-hegemonic) movements. Appreciation of the complex interaction of logics of equivalence and difference can offer a much more insightful way (than does, say, a focus on the formation of consensus) to investigate and understand the seemingly contradictory actions and discourses arising among NGO's at FSC. The third aspect of hegemony to

which the post-foundational orientation directs us is to the way that fantasy, or emotional investment, sustains hegemonic articulations through a tension between stabilizing ideals and destabilizing fears. It is in situations where hegemonic power is strongly contested, such as the example of Shell's role in the Niger delta, that the issues of fantasy are most visibly played out and most readily recognised, as for example in the ways that discourse and action serve to sustain a fear of insecurity and a hope for a return to security and stability at the expense of other, more developmental discourses and practices.

The post-foundational orientation therefore provides a distinctive approach to understanding business and management as a political activity. It would be easy, but also we believe lazy, to criticise this approach for not offering the sorts of procedural interventions (or practical traction) on day-to-day reality that seem to flow from the deliberative model, with its focus on processes for engagement, participation and consensus building. We hope that our examination of the examples of FLA, FSC and Shell indicates some of the dangers of taking an opportunistic approach to the development of theory and knowledge. From a post-foundational perspective, because everything starts with an ethico-political moment of decision, it is not possible to develop prescriptions for action in the way that liberal and deliberative models (misleadingly) allow. Instead what can be developed is understanding and insight, as a basis for better informed decision. We have tried to show how a post-foundational approach yields distinctive questions and research propositions from which we might start to develop that understanding and insight. We therefore endorse the political view of the firm as the way to develop theory and knowledge for the future, but we commend a post-foundational orientation for this endeavour.

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