

# [Introduction engagement” of civil society actors. (kendall et](https://assignbuster.com/introduction-engagement-of-civil-society-actors-kendall-et/)

IntroductionGlobal governance hasbeen evolving since the beginning of time however some profound changes tookplace over the past decades. Traditionally, government institution is seen asthe most powerful actor in the world arena, however the status quo has recentlybeen challenged by new players that had revolutionized the game: corporationsand civil society. The blurred boundaries between public, private, and civilsectors imply a triangular leadership.  Meanwhile, governments struggle to respond to sustainable and environmental challenges, the civil sector, also known as “ civil society” is increasingly turning itsattention to corporations to play a larger role.

(Cramer-Montes, 2017)In this essay I am goingto discover the importance of the level of organisation in relation toeffectiveness of civil society campaigning, looking at a variety of strategiesthe civil society implements to influence firms practices. My evaluation willalso include limitations associated with civil society’s actions, taking onboth NGO’s and hosting countries perspectives. In order to get a full pictureof the strategies available to consumers to promote Corporate SocialResponsibility on an individual level, I will finally look at ethicalconsumption, and at the attitude-behaviour gap, a phenomenon reflecting limitsof this ethical consumption.

. I.    Civil society campaigning is a key player in shapingbusiness practices The more organized, the more effective Corporate Social Responsibility is best represented ina “ collective engagement” of civil society actors. (Kendall et al.

, 2007) It is crucial to recognize the variety offorms members of the civil society take on, (WEF, 2013) as this will determine their effectivenessin promoting sustainable business practices. The civil society literaturedistinguishes two major forms of voluntary associations: Social Movements andNGOs. Social movements are unorganized groups but their influence is stillimportant in global issues. For example, labour activists and workers unitedtheir power against one of the world’s most powerful brands, Nike. Afterleading a campaign against their poor labour practices, they succeeded to force Nike to improve their ethicalculture. (Birch, 2012). However, social movements fail at gaining support from corporates and society, as theircampaigning strategies may come across as extreme and radical. Therefore, NGOsappear to be the most effective form of civil society groupings: they areorganized structures, legally constituted entities, but also the most trusted keyinstitution, according to the Edelman Trust Barometer in 2012.

Therefore, on the level of environmental and sustainablegovernance, NGOs appear as the key player and consequently comprise the main focusof this essay.  The diversestrategies of the civil society to influence firms directly    The defining activity of campaigning voluntary group is organisingprotests and demonstrations. Another strategy used by the civilsociety is partnering with corporate actors. Figure 1. illustrates what the political activist JimWallis means by saying that “ Civilsociety is making other sectors work, leveraging their capabilities andenabling solutions”.

(WEF, 2013, p. 10)Figure 1: Changingparadigms for sector roles    By collaborating directly with them, NGOs will havethe power to significantly influence the long-term sustainability of theirbusiness. (Baur and Schmitz, 2011)  Another strategy topromote sustainability: reach intermediaries (indirectly influence firms)NGOs can also promote sustainable business practicesby influencing firms’ intermediaries which are consumers and investors. Due toan increased demand of information and transparency from consumers, that grewin parallel with a lack of trust in corporations, NGOs provide them withdetailed reports of the activity of corporations, and their impacts. Forinstance, it was by initially working on a consumer report on how moderndiesels would contribute to reduce air pollution that the NGO InternationalCouncil on Clean Transportation discovered that Volkswagen was cheating on itsemissions tests (McGee, 2017).

Civil society can influence on corporate behaviour through other effectivetools like shareholder activism. NGOs use ownership to encouragefirms and investors to “ do wellwhile doing good”. A moreconcrete example is Social Responsible Investment, which considers newcriterias such as firms “ internal operating behaviour and externalpractices”. (Gemmill and Bamidele-Izu, 2002) To summarize, if well-organized, civil societycampaigning appears to be the most effective way for consumers to promoteresponsible corporate behaviour, by directly reaching firms but also indirectlythrough firm’s intermediaries.  However, this strategy is not fully efficient.

II.            Constraints preventing civil societycampaigning from realizing its full potential and its consequences Constraintsfrom the NGOs perspectivesWhat limits the effectiveness of civil society’sactions are the different sources and levels of funding for its stakeholders. An abundance of NGOs managers faces a lack of funds, often due to insufficientresource mobilization skills (Viravaidya andHaysssen, 2001). Limited financial resources root a number offurther negative consequence: the increase of NGOs vulnerability for corporatesponsoring, which then might induce co-optation. (WEF, 2013) This threat leads to the second challenge: NGO Trust Crisis. According to the most recent Edelman Trust Barometer, mostparticipants affirmed not believing anymore in neither of the four governanceinstitutions (Edelman, 2017). Thecontrast with the results occurred 5 years ago is not surprising as NGOs are increasingly targeted bycriticism for their close association with corporation which undermines NGOsautonomy and transparency.

For instance, the general Director of Nestlé hasbeen criticised for joining the Executive Board of the NGO Swiss InterchurchAid. Activists did not see this association as a collaboration but rather as an” institutional incompatibility” between Nestlé and the NGO. (Baur and Schmitz, 2001, p. 13) Therefore, to regain the trust of citizen in order to recover their degree of effectiveness, it is crucial for NGOs to not cross the boundary between “ Critical cooperation” and “ Co-optation”, which can appear as blurry.

Constraintsfrom hosting countries’ perspectives The influenceof civil society campaigning also depends on the hosting country and itspolitical, social, and legal environment. Accordingly, the level of uncertaintyof these driving forces will determine the degree of effectiveness. The WorldEconomic Forum ranks political situation and stability as the most criticaldriving factor that is the most uncertain for the coming years.

(WEF, 2013) Since geopolitical stability “ enables the smooth movement of goods, people andideas”, geopolitical conflict will appear as asignificant obstacle to Ngo and other civil society groups actions. Campaigningin such countries will be threatened by security concerns. (WEF, 2013, p. 20) Other factorsto consider are the rules and regulations of hosting countries. For instance, illustrating the “ Communist Party’s increasing suspicion of hostile Westerninfluences”, a newly adopted law in China exposed foreign NGOs to closegovernment scrutiny, with a more restricted reporting and registration system.

(Gan, 2017) As a direct consequence, some NGOshad to freeze all their activities there while others decided to move out ofthe country.  Howmany corporations have actually altered their business practices? Somedisappointing campaigning resultsFinally, civil society campaigning is not maximisingits potential as a consequence of failing to fully alter corporate conduct. Examining the managerial responses to activist stakeholders reveals answers fromthe firm is not always positive.

The literature has identified four majormanagerial strategies, among them two negative ones: “ Wage a Fight” and “ Wait”. In the Wage a Fight strategy, managers defy and contest activits’ demands andrather than entering with a dialogue with them, prefer to stick to the paththey have chosen in terms of business practices (Lawrence, 2010). In addition, some of the changes that NGOsbelieve to have implemented are fictitious as corporations might be makingfalse Corporate Social Responsibility promises in order to avoid NGOs and othervoluntary associations pressure. The most relevant example is the VolkswagenEmission scandal in 2015: one of the automotive industry giants promotessupposedly environmentally friendly cars with high-profile marketing campaignsat the same time as poisoning the planet with its “ defeat” software.

Thus, CSRbusiness practices changes can be superfluous. (Dans, 2015) Considering these drawbacks, the degree ofeffectiveness of civil society campaigning is not as great as expected. Therefore: is civil society only influencing business practices instead of altering them? Combining these group-based strategies with ethical actions made on a local level could be a solution to minimizethe negative consequences previously stated. III.          The need of ethical consumption on anindividual level to reach full effectiveness Anew type of consumer has arisen, the ethical consumer   How can consumershave an impact on firms and their business practices, on a local level? Overthe past decades, civil society campaigning has raised more and more awarenessamong consumers focusing on negative impacts of their consumption.

Nowadays, passiveand individual consumers are turning into ethically minded consumers. (Kendall et al., 2007) Forthis reason, civil society campaigns try to encourage them to spread theirresponsible behaviour by “ voting with their dollars”. Purchase refusal is afirst way to alter business behaviour. Although being very popular, the lack oftools to effectively measure its impact implied the need for other techniques such as positive ethical consumerism, called “ buycotts”. It is considered as amore effective way to promote sustainable business practices due to thepositive rewarding system (Craig Smith, 2007). Another strategy of ethical purchasing is adopting specific ethical dietchoices: new trends have emerged such as eating organicallyproduce food, vegetarianism and veganism.

This was followed by big foodcompanies such as Whole Foods starting to sell free range eggs, adding veganoptions to their menus or even opening new vegetarian branches, like Prêt àManger did. These changes for more sustainable business models can be explainedby the concept of consumer sovereignty; consumers being able to dictate the terms, and knowing that firms areconsequently always seeking to meet customer’s needs, this movement towardethical food has attracted firms interest. (Polonsky, 1995) Theattitude-behaviour gap, a phenomenon reflecting limits of this ethicalconsumption.   Concern about ethical issues doesnot always translate into ethical consumerism. (Carrington et al, 2010) This phenomenon has been identified by Auger andDevinney (2007) as the attitude-behaviourgap: there is indeed a gap between initial ethical purchases intentions ofconsumers and actual buying behaviour at the point of purchases. Therefore, itis important to identify the reasons of this consumer behaviour’s deviation, inorder to improve the effectiveness of ethical consumption in the future.

Firstly, the degree of performance of ethical consumption depends on theindustry. Ethical Consumer Market report has found that ethical clothingretailers have suffered of a 12% decline in price. (Ethical Consumer Research Association, 2016) In conclusion, markets, such as the fashion market, where industries compete in an escalatingprice war, are not favourable to ethical products. However, having to pay for ahigh price premium is not the only purchase barriers.

Concerning the foodmarket, Zanoli and Naspetti (2002) identified the lack of availability oforganic products as a first drawback for convenience-oriented consumers as wellas a lack of information transparency that remains today insufficient. Although, the number of voluntary associationspromoting ethical consumption has dramatically increased these past few years, the overall mobilization remains limited: ethical consumption only includes asmall part of consumers.    Conclusion            The answer tothis question lies in the understanding of the word promoting: what does itmean? Only influencing firms in order to adopt more sustainable practices orprofoundly altering their business model? If promoting and influencing sharethe same meaning: civil society campaigning and ethical consumption areconsidered as two effective ways of promoting sustainable corporate behaviour. However, if it is understood as profoundly altering business practices insteadof just influencing: the degree of effectiveness civil society campaigning andethical consumption is much smaller.

Satell andPopovic (2017) perfectly captures the essence of this dilemma and its nuances, by writing: “ To truly revolutionize how thingsare done, it’s not enough to change a policy or shift leadership to a newregime. You must change the beliefs that lead to actions” In otherwords, civil society might have gained powerover the past few years, but it will only be recognized as an effective form ofgovernance over firms when it succeeds to truly change (not only influence) theintentions of each consumer.