

## **Til minne om Harald Grimen**

Det er med sorg vi har mottatt budskapet om at Harald Grimen har gått bort. Han har vært medlem av redaksjonsrådet for *Etikk i praksis* fra vi startet, og har vært en av tidsskriftets viktigste støtter. Haralds betydning ble blant annet demonstrert ved at han var en av foredragsholderne ved lanseringsseminaret vårt. Hans virke har vært kjennetegnet av imponerende faglig kunnskap og refleksjon, kombinert med vennlighet og medmenneskelighet. Vi lyser fred over Harald Grimens minne.

## Introduction

# A Nordic Perspective of Corporate Social Responsibility (CSR)

Siri Granum Carson, Annik Magerholm Fet & Christofer Skaar

What is the social responsibility of business? Basically, it is the answer to this question which delimits the concept of Corporate Social Responsibility (CSR). However, it seems unrealistic to expect a final, universal answer to this question. The content of the concept changes over time and varies with respect to cultural and political factors. When the concept originated in the USA in the mid 20th century, it was fundamentally understood as a normative concept and referred primarily to the moral responsibility of business owners to «give back» to the society – in other words philanthropy. It was taken to mean discretionary action, initiated from the side of the business owners and leaders. This is still a major part of what is referred to as CSR. However, over the last few decades, the discussion has increasingly turned towards structural and principal questions regarding the political role of corporations in the face of economic globalisation and deregulation. It is still broadly understood as a business-driven concept. However, with the focus on political issues, both governments and non-governmental organisations are increasingly recognised as important co-drivers of CSR. Partnerships between private and public bodies, and between business and academic organisations, develop as a response to the societal challenges brought about by globalisation and environmental degradation.

Over the same period of time, the concept of CSR has become increasingly connected with concepts such as strategic management, innovation, and entrepreneurship. Innovation Norway has suggested a way to conceptualise this development, that is, by distinguishing between four levels of CSR.<sup>1</sup> At the first level we find «Passive CSR», referring to companies complying with laws and regulations as well as having a basic overview of a business's impact on the society and the environment. At the second level

we have «Active CSR», displayed by companies actively engaging in the creation of positive social and environmental values through the implementation of ethical guidelines, green accounting, and so on. At the third level we find «Strategic CSR», in which social and environmental responsibility is incorporated into the business strategy, and at the fourth and highest level we have «Innovative CSR», in which the business ideas and models themselves contribute significantly to the creation of social and environmental values. The basic idea is that today we have huge social and environmental problems to solve at the global level. In this situation, the responsibility of business cannot simply be about doing charity, nor can it be strictly about regulation and compliance. Because of the nature of the business resources, the responsibility must rather be to contribute actively to solving problems through innovation and social entrepreneurship.

It seems inevitable that the meaning of CSR varies with regard to the cultural, societal, and political framework in question. Welfare state and governmental regulation are decisive factors when it comes to clarifying what we mean by CSR. In a Nordic context, it might be argued that CSR in its traditional sense is superfluous, since business, trade, and industry are regulated in a way that leaves little room for moving «beyond compliance». Thus, it might make sense to talk about a specific «Nordic model» of CSR; a model characterised by a consensual political culture, a strong social-democratic welfare state, and well-functioning partnerships between business, government, and labour organisations. However, major regional differences between the industrial structures of the Nordic countries obviously lead to regional differences in the national approaches to CSR. The dominating petroleum sector in Norway, for example, has had a decisive influence on the CSR research here.

This introduction points to the divergent factors relevant to the topic of CSR, clearly indicating the need for multidisciplinary and cross-disciplinary approaches to this research area. This is reflected in the way CSR has developed at NTNU. For the past 10 years, there has been a focus on CSR in different ways; in course curricula, research projects, and strategic activities across faculties and department and as the focus area within two of the six overall research strategic areas at NTNU: the Globalization research program and the Maritime research program. Environment and energy are core topics in the programs, hereunder long traditions of collaboration with industry in innovative research projects are found. The science and technology profile, but with close connections with the social sciences and humanities, distinguishes CSR research at NTNU. The research focus on CSR attracts students and support possibilities for increased collaboration with industry.

Units with an explicit CSR profile at NTNU are the Department of Industrial Economics and Technology Management (at the Faculty of

Social Sciences and Technology Management), the Program for Applied Ethics (at the Faculty of Humanities), and the Program for Industrial Ecology (at the Faculty of Engineering Science and Technology). Together, these three units offer several CSR courses, coordinate workshops and seminars on CSR, and are involved in several CSR projects. Many of the initiatives are supported by the Globalization program at NTNU, which also has several PhD students doing research in the field of CSR. The Department of Industrial Economics and Technology Management are leading several research projects in which CSR is the core research topic and industrial companies are involved, specifically within the maritime sector and the production of common goods. We find a cross-disciplinary approach to competence in CSR in several other departments as well, including the Department of History and Classical studies, the Department of Interdisciplinary Studies of Culture, the Department of Sociology and Political Science, the Department of Social Anthropology, and the Department of Economics. Several cross faculty projects have a CSR dimension. An example is CenSES, the Centre for Sustainable Energy Studies, involving 50 professors, researchers, and PhDs from eight different departments.

Several other universities in Norway have developed their own approach to CSR research, and there are strong connections between them and NTNU, through collaborative research projects and personal contacts among professors and researchers. Examples are the Center of Social Responsibility at the Norwegian School of Management, the Center for Ecological Economy at the University of Nordland, as well as units at the universities in Oslo and Stavanger.

In December 2010, all of these institutions were represented when NTNU hosted the National CSR Conference. This conference is one of the series of several arrangements. In 2002, the first national CSR meeting was held at Det Norske Veritas (DNV). This was a joint initiative among different organisations, and the idea was to create more visibility and collaboration on the upcoming issues under the CSR umbrella. At this meeting, NTNU took the initiative to arrange the first national CSR conference in Norway in 2003. This was supported by Birkebeinerutvalgets Miljøforum (BBU, which originated in connection with the Olympic Games at Lillehammer), the Norwegian Research Association, and several voluntary organisations. Since November 2003, the event has taken place in Oslo (2005) and Stavanger (2008), before returning to Trondheim in 2010 under the administration of the Department of Industrial Economics and Technology Management at NTNU.

Over the years, the national conference has been a meeting place for industry, for different organisations, and for academia. The conferences have focused on the most current topics of CSR with both national and international speakers. Networking, collaboration, and research generation

have been additional outcomes of the conferences. Today, it is established as a fruitful, cross-disciplinary meeting place for Norwegian academics from different universities and different academic disciplines. At the conference web page, [www.csr-norway.no](http://www.csr-norway.no), presentations and other information from the 2010 conference can be found. The main focus on this occasion was innovation; more specifically, how CSR can function as a driver of business innovation. One way or the other, this main topic is reflected in each of the articles in the thematic part of this special issue, of which three of the four articles were presented at the 2010 conference in Trondheim. We would like to extend our gratitude for the financial support to this conference, especially from the Norwegian Research Council.

The first article is **Mark Taylor's** «The Ruggie Framework: Poly-Centric Regulation and the Implications for Corporate Social Responsibility». Taylor introduces us to Harvard professor and the U.N. Special Representative Business and Human Rights John Ruggie's framework «Protect, Respect and Remedy», presented for the U.N.'s Human Rights Council in 2008. Taylor argues that the Ruggie framework has constructed a middle path between the competing interests of business and human rights campaigners by satisfying business expectations while at the same time opening up for regulatory responses in cases where business fail to meet expectations. Through the introduction of the concept of due diligence, the foundation is laid for a new conception of CSR.

**Sveinung Jørgensen** and **Lars Jacob Tynes Pedersen's** article «Not your Problem? Exploring the Relationship between Problem Formulation and Social Responsibility» seeks to illuminate how differences in organisational problem formulations have implications for which stakeholder groups the organisations ascribe importance to and assume responsibility for. Jørgensen and Pedersen compare two organisations in the drug rehabilitation sector – a pharmaceutical company producing medicine for drug treatment and a facility working with drug rehabilitation. These are organisations dealing with the same basic issue but approaching the problem in different ways. Analyses of these differences point to the way in which problem formulation translate to the practical inclusion of stakeholders' interests in organisational decision making.

The two final articles of the thematic part of this issue look into the area of socially responsible investing, i.e., investment strategies seeking to maximise social goods as well as financial returns. In **Joakim Sandberg's** article, «Changing the World through Shareholder Activism?», an emerging facet of the socially responsible investment, shareholder activism, is critically examined. Sandberg evaluates the efficiency of shareholder activism when it comes to creating social change and finds little theoretical support for it. He suggests alternative strategies that may allow for an increased efficacy – specifically through increased efforts of individual investors. The feasibility

of such strategies must, however, be evaluated in light of the global economic situation.

**Hilde W. Nagell's** article «Investor responsibility and Norway's Government Pension Fund – Global» reviews three different aspects of investor responsibility: investors' fiduciary duties towards their clients, their responsibility in avoiding complicity, i.e., taking steps to reduce the risk that an investment contributes to harm, and finally their responsibility for considering the symbolic and signaling effects of an investment decision. In order to draw some practical consequences from this theoretical discussion, Nagell looks at the practices and ethical regulations of Norway's Government Pension Fund, the «oil fund».

In the open part of the journal, we find an article on the regulation of medical biotechnology in Norway. In «Effective representations? Concerns and expectations regarding research on fertilized eggs», **Marie Auensen Antonsen** and **Nora Levold** analyse Norwegian debates and controversies concerning the regulation of research on fertilized eggs. On the basis of this analysis, the authors discuss the relationship between the universal and the particular, between principle-based ethics and the understandings of lay people, and between facts, values, and actual cases in policy shaping and practice.

## Note

- <sup>1</sup> Cf. <http://www.innovasjon Norge.no///Om-oss/Innovation-Norway/About-Us/CSR/Four-levels-of-corporate-social-responsibility/> Retrieved on March 17th, 2011

## Guest editors of *Nordic Journal of Applied Ethics (Etikk i praksis)* 1/2011

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