"Hey, America, Europe is Eating Your CSR Lunch!"

No, it's worse. They've already finished your lunch. Now, they're into dinner *and* postre. Before long, all you'll have left is a cuppa Starbucks.

All I can say is that if you haven't read the following books, you don't have a clue about the current state of CSR developments. And notice the pub dates – all in the last 5 years. Bye-bye U.S. leadership. Hello, Europe.

Book Notes by William C. Frederick April 2007

Andre Habisch, Jan Jonker, Martina Wegner, Rene Schmidpeter (eds.), Corporate Social Responsibility Across Europe (Berlin: Springer, 2005)

If you have time for only one of these books, make it this one. A virtual ethnography of European CSR, describing the CSR experiences of 23 nations from all major regions, written by authoritative on-the-ground observers, participants, and researchers. See how post-WWII political upheavals and renewals, post-Soviet transformations, and European Union integration set the stage for today's CSR drives to sustain national economies and corporate enterprises, large (MNEs), medium, and small (SMEs). Nowhere but here can you find better lessons about the need to root CSR firmly within cultural, ethnic, and national contexts. Dip into any chapter—Estonia is a good starting place—to read about movement from bleak prospects to increasing hopes that CSR initiatives can be built into the business psyche. Or read about Northern Europe's Finland, Denmark, and Norway CSR headstart and Central Europe's awakening to the possibilities of instilling CSR into private sector enterprises as a supplement to government programs. And on to the Southern European rim where CSR struggles for acceptance or even recognition in Turkey and Greece.

An extra dividend: UK Dirk Matten's and Jeremy Moon's innovative conceptual framework that explains the sometimes puzzling transition from implicit (government sponsored CSR activities) to more explicit CSR responsibilities now undertaken by private firms. Absorb the many Pan European perspectives now emerging from a vibrant group of scholars and practitioners.

Francisco Perrini, Stefano Pogutz, Antonio Tencati, *Developing Corporate Responsibility:* <u>A European Perspective (Cheltenham: Edward Elgar, 2006)</u>

Better to call this one an *Italian* perspective on *European* CSR. A richly detailed, comprehensive account of how CSR has taken hold in Italy. Written by a faculty trio from Milan's Bocconi University. Stakeholder claims, triple-bottom-line, and sustainability goals are the basic building blocks of activist CSR programs. Social capital—trust,

employee well-being, concern for others—plays a big role due to the prevalence of small and medium-sized enterprises (SMEs) rooted within local communities and serving limited local markets. As in some other European countries, Italian national, regional, and provincial governments accept CSR as a viable and desirable policy responsibility, thereby giving a big boost to efforts in the private sphere. Leading business firms, banking houses, foundations, and nonprofit community organizations are on the CSR bandwagon. Bocconi has taken the lead in developing CSR principles and methodologies to guide firms in their CSR efforts, most notably the Sustainability Evaluation and Reporting System (SERS) which links to the Italian government's Social Statement of CSR performance indicators (detailed in an appendix).

The authors are a bit over the top in claiming that CSR offers a competitive advantage over less responsible market rivals, and that CSR is "a radical rethinking of corporate theory." Not so fast. More inclusive, yes. Cost free, no. The authors make clear that the ramping up of global competition poses threats to European firms and economies, and they believe CSR perspectives and actions will bring Italian businesses more in line with what is needed for long-term survival. I hope they are right.

Stephen Tully, (ed.), Research Handbook on Corporate Legal Responsibility (Cheltenham, UK: Edward Elgar, 2005)

Mostly lawyers talking to lawyers, plus 3 or 4 NGO types. The legal scholars take it upon themselves to define CSR in lawyerly ways, as only the legal mind can do, but in varying ways even among the book's authors. The editor makes a big claim: "It is therefore a continuing role and responsibility for legislators, courts, *and lawyers* [my emphasis] to design and enforce a stable and predictable legal environment which is simultaneously conducive to economic progress and social growth." Ah, yes, quite. Such a simple, rational matter. Next item, please. Maybe, global warming?

Good perspectives on legal happenings in the UK, Latin America, Canada, Wales, Holland, USA, and EU and UN perspectives. Much about corporate governance, corporate criminality, liability, and corruption. NGO viewpoints from AccountAbility, ILO, and Friends of the Earth.

Chapters most interesting conceptually: Celia Wells on corporate and executive criminal responsibility; John Sabapathy comparing social responsibility and legal responsibility; Rory Sullivan on NGO influence on human rights; Kee Beom Kim on ILO's CSR standards: Monique Barbut and Cornis van der Lugt on UNEP.

Overall, an informative, well researched, authoritative, well organized and presented reference source.

Leipziger, D., The Corporate Responsibility Code Book (Sheffield: Greenleaf, 2003)

A brilliantly conceived and clearly written description of the 32 major CSR codes, compacts, agreements, protocols, standards, and bench-marking guides from the most globally overarching to labour rights, environmental sustainability, corruption, and corporate governance, plus accountability and transparency implementation steps. In a word, everything you could possibly want to know about CSR goals and what they ask of business. It should be on the desk of every corporate CEO and in the library of all the world's business schools.

Beyond its sheer informative profiles lies a further significance. *In toto*, you have here the evolving moral nexus of what CSR means, expressed in operational terms as a true pragmatic guide to desired—even imperatively needed—socially and globally responsible corporate policies, strategies, and decisions. As such, Leipziger's compilation is not only the most practically useful, but also the most inspirational, of all the books discussed here.

Ivanka Mamic, Implementing Codes of Conduct: How Businesses Manage Social Performance in Global Supply Chains (Geneva: International Labour Office & Sheffield: Greenleaf, 2004)

OK, enough talk about CSR principles, codes of conduct, mission statements, and other high-sounding (and at times, self serving) statements issuing from corporate headquarters. With stunning clarity and accessibility, this in-depth book reveals *what companies actually do* to implement their CSR codes of conduct, how *successful (or not)* they have been, the *management systems* most likely to be effective, and needed steps to improve what they have already accomplished. The research focus of this International Labour Office study is on 20 MNEs in the sports footwear, apparel, and retail industries that have adopted a company code of conduct regarding supply-chain working conditions. Field research, on-site observation at plants, and interviews with managers and workers were primary methods. Transcripts of these on-site visits enable you to hear the voices and what was said pro and con by participants.

Conceptually rich, it reaches into a wide range of international codes, regional pacts, trade association principles, country codes, transnational standards, and (naturally) labour agreements to find CSR guidelines acceptable and practically workable for both MNEs and their globally dispersed supply-chain workforces. Public policy, legal regulations, civil society NGOs, and multi-stakeholder initiatives constitute a reinforcement for CSR efforts taken at the company level.

Without being Pollyannish, the author and her research associates accept the progress made by some of the companies, especially in sports footwear, while knowing that much is yet to be done if global supply-chains are to be fully protective of workers.

Don't miss this near-encyclopedic resource, filled to the brim with useful information about the chances of making CSR into something real.

McIntosh, M., Thomas, R., Leipziger, D., & Coleman, G., *Living Corporate Citizenship:* <u>Strategic Routes to Socially Responsible Business</u> (London: Prentice-Hall/Financial Times, 2003)

But what does it all *mean* – these codes, compacts, civil society initiatives? And where is it going? Can there be movement beyond the stage of codes and rules – to something real? What is the practical impact on companies and stakeholders – indeed, on people, their communities, and the entire planetary human habitat? Is business buying into the idea of corporate citizenship?

Well, some MNEs are committed but others are holding back or in active opposition, according to these European authors, who have deep and extensive experience in promoting CC. Their discussion is aspirational and interpretive, with a rather realistic acceptance that CC is not an overnight phenomenon. Their main compliance vehicle is the UN Global Compact and its principles regarding human rights, labour standards, and environmental protections. Early samples of compliance revealed sketchy results, while teaching companies valuable lessons about how to organize and strategize to become corporate citizens. The "strategic routes to socially responsible business"—the book's subtitle—are laid out clearly by these advocates of a "living corporate citizenship." As they would agree, time will tell if business takes up the challenge. Much hangs in the balance—for business and the rest of us.

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As coauthor in 1976 of one of the first-ever books on social auditing (see the BUSINESS AND SOCIETY section of this website), I send this concluding thought to the authors of these six splendid books: Don't let anyone ever tell you that CSR/CC have made little or no progress during the past 30 years or that its prospects are bleak. The executive mind is moving in your direction. You *are* making a difference!