

This article is part of the WPP Publication bundle "Women, Peace & Security:
Business as Usual?",
providing a critical
exploration of the link
between the private sector
and the implementation of
the Women, Peace &
Security agenda.

Sixteen articles will be in launched during November & December 2015, coinciding with the 16 Days Campaign Against Gender-Based Violence.

### About Sophie Toupin

Sophie Toupin's current work explores the linkages between technology, feminism and activism through ethnographic studies and projects. Over the years, her work has focused on issues ranging from community media, gender and ICTs, women, peace and security, social movements, and gender and access to justice, among others. She currently works for Media@McGill, a hub for research and scholarship on media, technology and culture at McGill University in Montreal.



# **Servicing Extractivism?**

By Sophie Toupin

The buzz word Corporate Social Responsibility (CRS) is almost as old of an idea as the push back and criticisms it has engendered. Critics of the practice have also intensified recently, particularly within a context



of resistance to extractivism, both in the Global South and Global North, in addition to the activism surrounding divestment and climate change particularly among youth on university campuses. At the scholarship level, there has been an explosion of articles written about this practice from different perspectives be it anthropological, developmental, sociological, legal and managerial, among others. In theory and practice, criticism on CSR has led to the emergence of new concepts such 'Business and Human Rights' and Sustainability' (CS) frameworks. Both are seen as being more holistic in scope and have been used by the United Nations through for instance the creation of the UN Secretary-General's Special Representative on business & human rights, the Global Compact Initiative, which used the frame of CSR, but now speaks about CS, and finally in the new sustainability development goals (SDGs) that are part of the 2015 post-development Agenda. The new SDGs explicitly say that the private sector has an important role to play in realizing these goals.

At the international governance level, the concept of CSR is increasingly superseded by the term corporate sustainability. Corporate Sustainability, Marcel van Marrewijk (2003) suggests, has a "traditional bias towards environmental policies" (p.101) as it is rooted in the legacy of the Brundtland Report, which famously outlined that the needs of the present cannot compromise the ability of future generations to meet their own needs. CSR on the other hand has more of a legacy of being linked to the social aspects of corporations such as human rights. The term sustainability in an era of climate change is seen as more apt than responsibility hence the reason why Corporate Sustainability is more and more seen to be broader than CSR.

In this article, I will first attempt to briefly trace the history of CSR highlighting how the practice has evolved over time. I will then look at the ways in which the Government of Canada has crafted its own understanding of CSR in its national and international development programs, the impact it had on the NGO sector and some of the reasons why it still uses the term CSR when the global community seems to have shifted to the concept of CS. To conclude, I will focus on the new collective frame (worldview) of social movements who are now converging towards an opposition to an extractivism framework.

## A CSR short history

It is with the emergence of big businesses in the United States in the first half of the 1900s that the question of corporate responsibility came to light. The idea of corporate responsibility emerged in a context where there was an increase in state legislations to regulate businesses, the concentration of power in big companies and the emergence of other organized groups, mostly trade unions, which could potentially threaten the unilateral power of corporations (Acquier & Gond 2005).

With this in mind, the question that businessmen, such as the iron and steel magnate Andrew Carnegie or Henry Ford, asked themselves was: How can big businesses and businessmen use their power "responsibly" in a context of increased state regulations and contestation restricting corporate behavior? Basically, their concern was how to self-regulate without being imposed regulations by outside forces. In the early decades of the 1900s, the dominant understanding of what would be later known as CSR was of "public service". This understanding of CSR alluded to an implicit contract between society and corporations (Acquier & Gond 2007). Following the 1929 economic crisis and the lack of confidence in business behavior, which had largely been responsible for the crisis, state regulations on businesses was imposed through what became known as the New Deal. Strong regulations of corporations by states did not last long. Indeed, the role played by corporations in supporting the war efforts during the Second World War brought public confidence back to corporations and a belief that they could self-regulate to the benefit of society. The work, advocacy and voices of trade unions and other critical voices that had previously helped to bring about more regulations were largely stifled under McCarthyism and red-baiting, bringing back the discourse around CSR as a voluntary business practice.

In the 1960s, Milton Friedman, one of the architects of the Washington Consensus, an ideological process that largely set the stage for neoliberalism (Harvey 2005), described the concept of Corporate Social Responsibility as being "deeply subversive". He rather argued that "there is little dangerous currents to the very foundations of our free society as the acceptance, for the leaders of company, a liability other than to maximize the return on their shareholders' money" (Friedman, 1962). Though Friedman openly criticized the concept of CSR, his words nonetheless reaffirmed the importance for government not to meddle in the affairs of businesses.

More recently, the concept of CSR has been somewhat superseded by the concept of CS as earlier stated, and seems to be embraced in international settings. The Government of Canada though is an example of a country that still talks about CSR, as I will show below. One reason that might help explaining the above is the strong legacy of the environmental dimension within a framework of CS. And since, in the past years, Canada has officially withdrawn from the Kyoto Accord; has drastically cut the budget of Environment Canada, the department responsible for environmental policies and programs; and is operating one of the world largest oil sand extraction sites, the narrative of CSR might in fact be more apt.

# Canada, CSR and extractivism

Since the Conservative party took majority power in Canada in 2006, the government in place has been cutting into social programs (education, health, social benefits, environment, etc.), reducing the size of the state, putting in place austerity measures, among others.

At the foreign and development policy levels, Canada saw a number of significant changes, amongst others: the disappearance of the expression "human security" and "responsibility to protect"; the replacing of the expression "international humanitarian law" with "international law", "child soldier" with "children in armed conflicts" and "gender equality" with "sexual equality", "equality between the sexes" or "equality between men and women" from the Canadian foreign policy; a disengagement of Canada from the United Nations (UN);

a refocus from middle-income countries in the Americas over African countries with less promising commercial prospects (Brown, Heyer and Black 2014); an increase in public-private partnerships; and the merging of the Canadian International Development Agency (CIDA) with the Department of Foreign Affairs and International Trade to create a new institution called the Department of Foreign Affairs, Trade and Development. With this new institution, the links and ties between development, aid and trade were made more explicit.

At the CSR level, the Government of Canada launched in 2009 its first Corporate Social Responsibility Strategy entitled "Building the Canadian Advantage: Canada's Corporate Social Responsibility Strategy for the Canadian International Extractive Sector." This new strategy suggests that the Conservative Government has prioritized and link "Canadian aid policy, with private-sector development and investment (especially in mining) and Corporate Social Responsibility" (Macdonald and Ruckert 2014, p.126). To start implementing its strategy, the government instituted a pilot project for targeted Non-Governmental Organizations (NGO) to provide services to communities (schools, medical units, etc.) with mining operations on their territories. The three publicly known partnerships were between World University Service of Canada and Rio Tinto Alcan in Ghana, Plan Canada, and IAMGOLD in Burkina Faso, and World Vision Canada, and Barrick Gold in Peru (Carin 2012).

These public-private funded projects raise important questions such as the extent to which such projects help the private sector industry sustain controversial mining activities. Macdonald and Ruckert (2014) wonder if these projects are a way to recast companies as humanitarian actors. These projects have also a strong emphasis on the domestic self-interest and thus the question of the extent to which this is a valid goal for aid ought to be asked. To add to this understanding, Professor Darin Barney at McGill University argues that certain rhetoric of nationalism, such as economic nationalism and national identities, have been mobilized by the Canadian economic and state elite in an attempt to manufacture consent with regards to resource extraction. This rhetoric, he argues, is exemplified in the Canadian discourse that promotes: "Doing Business the Canadian Way" or "Promoting Canadian Values" through resource extraction.

In the same period of these new priorities and shifts in development policies, a wave of funding cuts affected the NGO sector in Canada. Rights and Democracy, The North South Institute and The Pearson Peacekeeping Center, among others, are all NGOs that have had to close their doors as a result. Others, such as Status of Women Canada (the Federal Agency that supports gender equality), Canadian Council for International Cooperation and Match International (an NGO supporting women's rights in the Global South), were either defunded or saw their funding drastically cut. Kairos, whose funding renewal was approved by CIDA in 2010, was

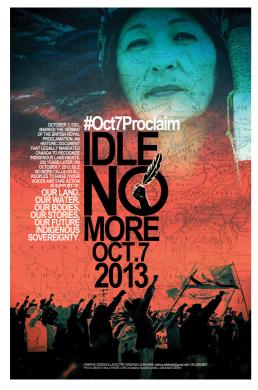


Photo credit: Virginia Johnson

reversed in, what Prof. Stephen Brown from the University of Ottawa called, a political decision and not one based on the merits of the proposal. The Native Women's Association of Canada's Sisters in Spirit project received funding with major strings attached: it could "continue to improve awareness of the missing [and murdered indigenous] women in Canada, but it was forbidden from continuing to compile the Sisters in Spirit database", a database that tracks and documents the missing women. As a result of these decisions, the NGO sector in Canada has been hit hard, in particular women's rights advocacy groups that work at the national or international level.

Many extractive companies, whose headquarters are in Canada, do have extractive operations abroad and/or are linked to subsidiaries that are located in the Global South, at times in conflict and post-conflict countries. However, at the peace and security level, the current Women, Peace and Security (WPS) National Action Plan (NAP) of Canada makes no reference to the private sector. This poses the question of the relationship between extractive corporate practices, gender issues and conflict and post conflict countries. What does it mean to do "responsible" WPS in a context where extractivism happens? Would it be about giving women services (small perks to accept the presence of an extractive operation?) or would "responsible" WPS be about enabling civil society space, as space where women can organize against what they see and deem as abuses of their natural resources?

## Resurgence of resistance



Poster credits: Krishna Lalbiharie/photo credits: Paulo Frere Lopez (woman), Blare Russell (demonstrators)

What we are seeing emerge in Canada is a strong reaction against the instrumentalization of the earth for profit, whether it be in the Global South or Global North. This is a narrative that Benford & Snow (2000) have called an collective action frame to stop extractivist projects, particularly the exploitation of tar sands and the pipelines that are being built to transport oil (Mitchell 2011). The resistance to extractivism has become one of the strongest social movements in Canada and it has been led by Indigenous movements and young people, with women playing a key role. As a case in point, in 2012, as a result of the Jobs and Growth Act (2012), also known as the omnibus Bill C-45, four indigenous and white women launched a protest called: 'Idle No More'. Over the next couple of months, demonstrations, marches, round dances and blockades were organized against this act, which threatened to "erode Aboriginal land and treaty rights insofar as they reduce the amount of resource development projects that required environmental assessment; change their regulations that govern onreserve leasing in a way that will make it easier for special interests to access First Nations reserve lands for purposes of economic development and settlement [...]". (Coulthard 2014, p. 160).

Key questions that arise from this are: Is 'responsible resource development' around the world possible? What does responsibility and sustainability mean in such a scenario? Who decides what these concepts mean? Can a CSR and/or a CS framework address these issues? How will the post 2015 development agenda and SDGs deal with these issues?

One of the multiple reasons why 'Idle No More' was so inspiring to many and instrumental in creating an opposing framework, was its aim to decolonize politics, where water, air, land and all creation for future generations are not to be spoiled under the guise of economic development, unbridled capitalism and settler-colonialism (Coulthard 2014). 'Idle No More' took a decisive stance against resource exploitation on indigenous territories, outlining and reinforcing Indigenous decolonial politics that aimed at letting them decide what happens on their territories and to say no to resource exploitation on their lands.

The framework of resistance to extractvism is a global phenomenon. It shows that it is a worldview that is embraced both in the Global South and the Global North. In Canada this frame of contestation is met with a new potential law. Currently, the Canadian government is in the process of passing a law called the *Anti-terrorism Act 2015* (a.k.a. Bill C-51), which could target, among others, indigenous dissent and activism against extractivism.

### Conclusion

From its inception, CSR has been an ambiguous concept and all should be very attentive to the meaning given bν corporations and governments. Is it more about public advancing corporations' relations profiles? Is it really about changing for the better corporate practices? Is it having positive impact for the most marginalized? Other questions that need to be debated are: Will the broader concept of CS bring about change? Where does the post 2015 development agenda and SDGs fit in these debates? Moreover, how will the new frame of contestation that is emerging within civil society pan out at the global level? What



Credit: www.idlenomore.ca

kind of echo does Naomi Klein's book, "This Changes Everything" (2014) have in the chambers of power? Will the emerging civil society stance that says "No" to a neoliberal agenda based on extractivism be heard and, if so, by who? And what will be the reaction to it? Being faced with very different perspectives on these issues raise important questions for civil society, governments and corporations a like as they highlight divergent value systems grounded in different definitions of truth, awareness and understanding of the meaning of "development", "modernity", "progress" and buen vivir, among others.

See page 6 for the Bibliography

## **Bibliography:**

Acquier, A., & Aggeri, F. (2008). Une généalogie de la pensée managériale sur la RSE. Revue Française de Gestion, pp. 131-157.

Acquier, A., & Gond, J.-P. (2005). Aux sources de la Responsabilité Sociale de l'Entreprise: relecture et analyse d'un ouvrage séminal : Social Responsibilities of the Businessman

Howard Bowen (1953). XIVème Conférence de l'Association Internationale de Management Stratégique. Angers.

Benford, R. D., & Snow, D. A. (2000). Framing Processes and Social Movements: An Overview and Assessment. Annual Review of Sociology, 26, 611-639.

Brown, Stephen, Molly den Heyer and David R. Black, eds (2014). *Rethinking Canadian Aid*. Ottawa: University of Ottawa Press.

Carin, B. (2012). CIDA, NGOs and mining companies: The Good, the Bad and the Ugly. Access on April 18<sup>th</sup>, 2015: https://www.cigionline.org/articles/2012/05/cida-ngos-and-mining-companies-good-bad-and-ugly

Coulthard, G. S. (2014). Red Skin, White Masks: Rejecting the Colonial Politics of Recognition. Minneapolis: University of Minnesota Press.

Friedman, M. (1962), Capitalism and Freedom. Chicago University Press.

Harvey, D. (2005). A Brief History of Neo-Liberalism. Oxford Press.

Klein, N. (2014). This Changes Everything: Capitalism vs. the Climate. Toronto: Knopf Canada.

Mitchell, T. (2011). Carbon Democracy: Political Power in the Age of Oil. Verso Press.

Macdonald, L. and Ruckert, A. (2014). Continental Shift? Rethinking Canadian Aid to the Americas. In Brown, Stephen, Molly den Heyer and David R. Black, eds (2014). *Rethinking Canadian Aid*. Ottawa: University of Ottawa Press.

Van Marrewijk, M. (2003). Concepts and Definitions of CSR and Corporate Sustainability: Between Agency and Communion. Journal of Business Ethics, 44: 95-105.